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## STATEMENT OF OBJECTS AND REASONS

### I

**Act No. 17 of 1960.**—In the integrated areas the following different Acts are in force:—

1. Mysore Area. ... The Mysore Societies Registration Act, 1904.
2. Madras Area, ... The Societies Registration Act, 1860. (Central Act).  
Bombay Area  
and Coorg District
3. Hyderabad Area ... The Hyderabad Public Societies Registration Act,  
1350F

2. It is desirable to have an uniform law for the registration of Literary, Scientific, Charitable and other Societies in the State and the Bill has been prepared for this purpose.

3. The Bill has been drafted generally on the lines of the Mysore Societies Registration Act, 1904, which though based on the Central Act, contains some additional provisions which are very useful safeguards to ensure the proper working of Societies registered under the Act.

(Obtained from notification No. 1218 LC, dated 6th November 1958, PART IV—2-A, as No. 1218, at page. 15.)

### II

**Amending Act 26 of 1965.**—Section 27 as it stands now empowers the Registrar of Societies to conduct enquiries if it appears to him that it is carrying on any unlawful activity or is allowing any unlawful activity to be carried on. The Registrar has jurisdiction over the entire State and he has many other items of work to attend to. It may not therefore be possible for him to conduct all such enquiries by himself. It would be desirable to provide for his authorising some other officers to conduct such enquiries. The amendment empowers the Registrar to delegate the powers of enquiry into the activities of the societies to some person authorised by him.

Hence the Bill.

( Published in Karnataka Gazette (Extraordinary) Part IV-2A dated 28th September 1965 at page. 7.)

### III

**Amending Act 20 of 1975.**—Some of the Societies are finding it inconvenient to render returns on the basis of the calendar year under existing provisions of the Mysore Societies Registration Act 1960. It is proposed to amend the Act so as to enable societies to adopt any periods of twelve months according to their choice.

Opportunity has been taken to enhance the fees payable by the Societies for certain purposes in view of the increase in the cost of administration of the department.

(Published in Karnataka Gazette, Part IV-2A dated 23rd November 1972, at page. 12.)

#### IV

**Amending Act 65 of 1976.**—When a general body meeting is not or cannot be held and a new governing body is not or cannot be elected, the affairs of a society constituted under the Karnataka Societies Registration Act, 1960 will go into a stalemate. Where the society is, for example one which has been given large Government aid by way of land or cash, or is running big educational institutions, a stalemate in the top management body would cause much hardship or harm to many and would affect public interest very considerably. When such a stalemate arises, there is no remedy in the existing Karnataka Societies Registration Act, 1960; there is no provision in the Karnataka Societies Registration Act for the appointment of an Administrator to temporarily manage the affairs of such a society until a valid election is held and a new governing body takes charge.

It was therefore considered necessary to amend the Karnataka Societies Registration Act, 1960 to provide for the appointment of an Administrator in the above mentioned situation. Provision is made in general terms that where any society has not held or is unable to hold the annual general body meeting or where the term of office has been expired and a new governing body has not been constituted or where the State Government consider it necessary in public interest so to do, an Administrator may be appointed for a short period. It is further provided that the Administrator should take steps to convene the general body meeting and hold elections for the constitution of the new governing body before his term expires. In other words the whole thing is a stop-gap arrangement. Hence the Ordinance was promulgated by insertion of new section 27-A after section 27 of the Karnataka Societies Registration Act, 1960.

(Obtained from LC Bill No. 14 of 1976.)

#### V

**Amending Act 7 of 1978.**—Registration of all Societies is now being done at Bangalore. There are nearly 17,000 Societies in the State. The Registrar of Societies feels it very difficult to have effective control over all those societies. Moreover, inconvenience is caused to the public to come to Bangalore from remote corners of the State for registration of clubs, societies, etc. It is therefore considered necessary to decentralise this work.

At present a society could be registered under the Act for the development of among other things, sports other than horse racing. It is considered necessary to extend the scope of the Act to horse racing also.

It is considered necessary to increase the total period for which Administrator could be appointed from 2 years to 4 years and to provide for the appointment of an Advisory Council to assist the Administrator.

Some other consequential amendments are also made. As the matter was urgent an Ordinance was promulgated.

This Bill seeks to replace the said Ordinance.

(Published in Karnataka Gazette, (Extraordinary), PART IV—2-A, dated 18th March 1978, as No. 268, at page. 3.)

## VI

**Amending Act 48 of 1986.**—The proviso to section 27A of the Karnataka Societies Registration Act, 1960 provides for extending the period of appointment of the Administrator prospectively. It is considered necessary to empower the Government to extend the period of appointment of the Administrator, retrospectively also.

Hence the Bill.

(Published in Karnataka Gazette (Extraordinary) Part IV-2A dated 25th August 1986 as No. 653 at page 3.)

## VII

**Amending Act 11 of 1990.**—To give effect to the proposals made in the Budget Speech, it is considered necessary to amend the Karnataka Societies Registration Act, 1960.

Hence the Bill.

(Published in Karnataka Gazette (Extraordinary) Part IV-2A, dated 30th March 1990, as No. 155, at page. 28.)

## VIII

**Amending Act 9 of 1999.**- To implement the Participatory Irrigation Management, the High level working group has suggested certain amendments to the Karnataka Societies Registration Act, 1960 to enable the water users societies to fully implement the programmes.

Therefore, it is considered necessary to amend section 3 of the Karnataka Societies Registration Act, 1960 to provide for the proper use of the natural resources and scarce infrastructural facilities like land, power, water, forest and other resources.

Hence the Bill.

(Obtained from L.A. Bill No. 24 of 1997) (File No. SAMVYASAIE 23, SHASANA 97).

## IX

**Amending Act 7 of 2000.**- To give effect to the proposals made in the Budget Speech, it is considered necessary to amend the Karnatak Stamp Act, 1957 and the Karnataka Societies Registration Act, 1960.

(Obtained from L.A. Bill No. 8 of 2000)

## X

**Amending Act 6 of 2002.**- To give effect to the proposals made in the Budget Speech, it is considered necessary to amend the Karnataka Stamp Act, 1957 and the Karnataka Societies Registration Act, 1960.

Hence the Bill.

**<sup>1</sup>[KARNATAKA ACT]<sup>1</sup> No. 17 OF 1960**

*(First published in the <sup>1</sup>[Karnataka Gazette]<sup>1</sup> on the Third day of November 1960.)*

**THE <sup>1</sup>[KARNATAKA]<sup>1</sup> SOCIETIES REGISTRATION ACT, 1960.**

*(Received the assent of the Governor on the Twenty-fifth day of October 1960.)*

*(As Amended by Karnataka Acts 26 of 1965, 20 of 1975, 65 of 1976, 7 of 1978, 48 of 1986, 11 of 1990 9 of 1999, 7 of 2000 and 6 of 2002.)*

**An Act to provide for the registration of literary, scientific, charitable and other societies.**

WHEREAS it is expedient to provide for the registration of literary, scientific, charitable and other societies in the <sup>1</sup>[State of Karnataka]<sup>1</sup>;

BE it enacted by the <sup>1</sup>[Karnataka State]<sup>1</sup> Legislature in the Eleventh Year of the Republic of India as follows:—

*1. Adapted by the Karnataka Adaptations of Laws Order, 1973 w.e.f. 01.11.1973.*

**1. Short title, extent and commencement.-** (1) This Act may be called the <sup>1</sup>[Karnataka]<sup>1</sup> Societies Registration Act, 1960.

*1. Adapted by the Karnataka Adaptations of Laws Order, 1973 w.e.f. 01.11.1973.*

(2) It extends to the whole of the <sup>1</sup>[State of Karnataka]<sup>1</sup>.

*1. Adapted by the Karnataka Adaptations of Laws Order, 1973 w.e.f. 01.11.1973.*

(3) It shall come into force on such <sup>1</sup>[date]<sup>1</sup> as the State Government may by notification in the official Gazette appoint.

*1. Act came into force on 15.6.1961.*

**2. Definitions.-** In this Act, unless the context otherwise requires,—

(a) “governing body” means the governors, council, directors, committee, trustees or other body to whom by the rules and regulations of the society, the management of its affairs is entrusted;

(b) “member” means a person who, having been admitted to membership of a society in accordance with the rules and regulations thereof, shall have paid his subscription and shall have signed the roll or list of members thereof, and shall not have resigned in accordance with such rules and regulations; but in all proceedings under this Act, no person shall be entitled to vote or to be counted as a member whose subscription at the time shall have been in arrear for a period exceeding three months;

(c) “prescribed” means prescribed by rules made under this Act;

(d) “registered society” means a society registered or deemed to be registered under this Act;

<sup>1</sup>[(e) ‘Registrar’ means such officer as the State Government may, by notification, appoint to perform the duties and functions of the Registrar under this Act, in such area

as may be specified in the notification and where no such officer is appointed, the Inspector General of Registration in Karnataka.]<sup>1</sup>

1. Substituted by Act 7 of 1978 w.e.f. 29.9.1977.

<sup>1</sup>[(f) 'year' means the year ending on the 31st day of December or in the case of any society or class of societies the accounts of which are made up to any other date with the previous sanction of the Registrar, the year ending with such date.]<sup>1</sup>

1. Inserted by Act 20 of 1975 w.e.f. 1.7.1975.

**3. Societies to which the Act applies.-** The following societies may be registered under this Act,—

Societies established for,—

- (a) the promotion of charity;
  - (b) the promotion of education, science, literature, or the fine arts;
  - (c) the promotion of sports <sup>1</sup>[x x x]<sup>1</sup>;
1. Omitted by Act 7 of 1978 w.e.f. 29.9.1977.
- (d) the instruction and the diffusion of knowledge relating to commerce or industry or of any other useful knowledge;
  - (e) the diffusion of political education;
  - (f) the foundation or maintenance of libraries or reading rooms for general use among the members or open to the public, or of public museums and galleries of painting and other works of art;
- <sup>1</sup>[(ff) the promotion of conservation and proper use of natural resources and scarce Infrastructural facilities like land, power, water, forest and such other resources and infrastructural facilities, as may be notified by the State Government from time to time.]<sup>1</sup>
1. Inserted by Act 9 of 1999 w.e.f. 26.4.1999.
- (g) the collection of natural history, mechanical and philosophical inventions, instruments or designs; and

which intend to apply their profits, if any, or other income in promoting their objects and prohibit the payment of any dividend or distribution of any income or profits among their members.

**4. Conditions of registration.-** No society, other than a society of which the State Government is a member, which does not consist of at least seven persons above the age of eighteen years shall be registered under this Act.

**5. Mode of forming societies.-** Any seven or more persons, above the age of eighteen years associated for any purpose specified in section 3 may, by subscribing their names to a memorandum of association and otherwise complying with the requirements of this Act and the rules made thereunder, in respect of registration, form themselves into a society under this Act.

**6. Requirements with respect to memorandum.-** (1) The memorandum of association of every society shall state,—

(a) the name of the society;

(b) the objects of the society;

(c) the names, addresses and occupations of the members of the governing body to whom, by the rules of the society, the management of its affairs is entrusted;

(d) the place at which the registered office of the society is to be situate.

(2) There shall be registered with the memorandum of association, the rules and regulations of the society, which shall contain provisions relating to admission of members, general meetings, proceedings at such meetings including voting by members, the governing body and proceedings of meetings of the governing body:

Provided that save as otherwise provided in this Act, no rule or regulation of a society shall exclude any member from being entitled to vote.

(3) The memorandum and rules and regulations of the society shall be printed or typewritten, be divided into paragraphs numbered consecutively and be signed by each subscriber to the memorandum of association (who shall add his address, description, age and occupation, if any) in the presence of at least one witness who shall attest the signature and shall likewise add his address, description and occupation.

**7. Societies not to be registered with undesirable names.-** No society shall be registered by a name which, in the opinion of the Registrar, is undesirable. A name which is identical with, or too nearly resembles, the name by which a society in existence has been previously registered, may be deemed to be undesirable by the Registrar under this section.

**8. Registration of societies.-** (1) There shall be presented to the Registrar for registration the memorandum of association and the rules and regulations of the society <sup>1</sup>[ x x x ]<sup>1</sup>.

1. Omitted by Act 7 of 2000 w.e.f. 1.4.2000.

(2) If the Registrar is satisfied that all the requirements of this Act and the rules made thereunder have been complied with, he shall retain and register the memorandum of association and rules and regulations, and shall certify under his hand that the society is registered and issue a certificate of registration.

(3) If the Registrar refuses to register a society, an appeal shall lie to the <sup>1</sup>[Karnataka Appellate Tribunal]<sup>1</sup> within sixty days from the date of communication of his refusal to register the society. <sup>2</sup>[ x x x ]<sup>2</sup>.

1. Substituted by Act 7 of 1978 w.e.f. 29.9.1977.

2. Omitted by Act 7 of 2000 w.e.f. 1.4.2000.

**9. Alteration of memorandum of association.-** (1) Whenever it shall appear to the governing body of any society registered under this Act which has been established for any particular purpose or purposes that it is advisable to alter, extend or abridge such

purpose or for other purposes specified in section 3, the governing body may submit the proposition to the members of the society in a written or printed report, and may convene a special general meeting for the consideration thereof according to the rules and regulations of the society. But no such proposition shall be deemed to have been approved unless such report has been delivered or sent by post to every member of the society twenty-one days previous to the date of the special general meeting convened by the governing body for the consideration thereof, and unless such proposition shall have been agreed to by the votes cast in favour of the proposition by members who being entitled so to do, vote in person, or where proxies are allowed, by proxy, and such votes are not less than three times the number of the votes, if any, cast against the resolution by members so entitled and voting and confirmed by a similar majority of votes at a second special general meeting convened by the governing body after an interval of thirty days after the former meeting.

(2) Every change in the memorandum of association approved under sub-section (1) shall be filed with the Registrar within thirty days from the date of making thereof <sup>1</sup>[ x x x]<sup>1</sup> and the Registrar may if he is satisfied that the change is in accordance with the provisions of this Act and the rules made thereunder register such change. Such change shall not have effect until it has been so registered.

1. Omitted by Act 7 of 2000 w.e.f. 1.4.2000.

(3) If the Registrar refuses to register a change in the memorandum of association under sub-section (2) an appeal shall lie to the <sup>1</sup>[Karnataka Appellate Tribunal]<sup>1</sup> within sixty days from the date of communication of his refusal to register the change <sup>2</sup>[ x x x ]<sup>2</sup>.

1. Substituted by Act 7 of 1978 w.e.f. 29.9.1977.

2. Omitted by Act 7 of 2000 w.e.f. 1.4.2000.

**10. Change of name, rules and regulations.-** (1) The name and the rules and regulations of a society may be amended by a resolution passed at a special general meeting convened for the purpose of which written or printed notice shall have been delivered or sent by post to every member of the society twenty-one days previous to the date of the special general meeting and the resolution proposing the amendment is passed by the votes cast in favour of the resolution by members who being entitled so to do, vote in person or where proxies are allowed, by proxy, and such votes are not less than three times the number of the votes, if any, cast against the resolution by members so entitled and voting.

(2) Every amendment made under sub-section (1) shall, within thirty days from the making thereof be filed with the Registrar <sup>1</sup>[ x x x ]<sup>1</sup> and if the Registrar is satisfied that the amendment is in accordance with the provisions of this Act and the rules made thereunder, shall register it. Such amendment shall have effect only after it is so registered.

1. Omitted by Act 7 of 2000 w.e.f. 1.4.2000.

(3) If the Registrar refuses to register the amendment under sub-section (2) an appeal shall lie to the <sup>1</sup>[Karnataka Appellate Tribunal]<sup>1</sup> within sixty days from the date of communication of his refusal to register the amendment. <sup>2</sup>[ x x x ]<sup>2</sup>.

1. Substituted by 7 of 1978 w.e.f. 29.9.1977.

2. Omitted by Act 7 of 2000 w.e.f. 1.4.2000.

**11. General meeting.-** (1) Every society registered under this Act shall hold every year a general meeting called the annual general meeting at which the report of the management of the society for the previous year together with an audited copy of the balance sheet, income and expenditure account and the auditor's report shall be submitted for approval.

(2) The first annual general meeting shall be held by a society within eighteen months of its registration. The next annual general meeting of the society shall be held within nine months after the expiry of the '1[x x x]¹' year in which the first annual general meeting was held; and thereafter an annual general meeting shall be held within nine months after the expiry of each '1[x x x]¹' year:

1. Omitted by Act 20 of 1975 w.e.f. 1.7.1975.

Provided that the Registrar may, for any special reason, extend the time within which an annual general meeting shall be held, by a further period not exceeding six months:

Provided further that except in the case referred to in the preceding proviso not more than eighteen months shall elapse between the date of one annual general meeting and that of the next.

(3) A special general meeting may be convened at any time on the requisition of the president or the chairman, if any, of the governing body, or on the requisition of not less than one-third of the number of members of the governing body, or one-tenth of the total number of members of the society, entitled to vote who shall state in writing the business for which they wish the meeting to be convened and the governing body shall, within ten days from the date of the receipt of the requisition, proceed duly to call a meeting for the consideration of the business stated on a day not later than forty days from the date of the receipt of the requisition.

(4) If a member has no registered address in India and has not supplied to the society an address within India for the giving of notice to him, a notice advertised in a newspaper in Kannada and in a newspaper in English or any other language circulating in the neighbourhood of the registered office of the society shall be deemed to be duly given to him on the day on which the advertisement appears in the newspaper.

**12. Accounts.-** (1) The governing body of every society registered under this Act shall keep at the registered office of the society or at such other place in the State as the governing body thinks fit, proper books of account with respect to,—

(a) all sums of money received and expended by the society and the matters in respect of which the receipt and expenditure takes place;

(b) all sales and purchases of goods by the society; and

(c) the assets and liabilities of the society.

(2) Every balance sheet of a society shall give a true and fair view of the state of affairs of the society as at the end of the '1[x x x]¹' year and every income and expenditure

account shall give a true and fair view of the excess of income over expenditure, or excess of expenditure over income, of the society for the <sup>1</sup>[x x x]<sup>1</sup> year.

1. Omitted by Act 20 of 1975 w.e.f. 1.7.1975.

<sup>1</sup>[(3) In the case of a society the accounts of which are made up with the previous sanction of the Registrar to any date other than the 31st day of December, the first balance sheet and the first income and expenditure account of such society after such previous sanction is accorded shall, for the purposes of sub-section (2), be for such period as the Registrar may specify in the order according previous sanction.]<sup>1</sup>

2. Inserted by Act 20 of 1975 w.e.f. 1.7.1975.

### **13. Balance sheet and annual list of governing body to be filed with Registrar.-**

On or before the fourteenth day succeeding the day on which the annual general meeting of a society is held, there shall be filed with the Registrar a list of the names, addresses and occupations of the members of the governing body then entrusted with the management of the affairs of the society and a copy of the balance sheet and income and expenditure account audited by a person who under section 226 of the Companies Act, 1956 (Central Act 1 of 1956), can act as an auditor of companies registered in the <sup>1</sup>[State of Karnataka]<sup>1</sup>. <sup>2</sup>[x x x]<sup>2</sup>:

1. Adopted by the Karnataka adoption of Laws Order 1973 w.e.f. 1.11.1973.

2. Omitted by Act 7 of 2000 w.e.f. 1.4.2000

<sup>1</sup>["Provided that if for any sufficient reason a society has not filed the list of members of governing body and a copy of balance sheet and income and expenditure account on or before the fourteenth day of the Annual General Body meeting of the Society it may make an application to the Registrar to condone the delay and permit to file the records and the Registrar may if he is satisfied that there are sufficient reasons for the delay in filing such records, condone the delay and permit the society to file such records subject to payment of fine as may be prescribed and where no sufficient reasons are shown, he may after giving an opportunity of being heard to the society reject the application and return such records to the society:

Provided further that, where a society has failed to file such records for a consecutive period of five years, the Registrar, may after giving a reasonable opportunity of being heard to the society, by an order cancel the registration of such society and direct dissolution of the society, and thereupon the assets of the society shall be distributed, and the liabilities discharged in the same manner as if the society had been dissolved under section 22.

Explanation: For the purpose of this proviso, where the application filed by a society to condone the delay in filing records for any year is rejected and the records are returned under the first proviso, such society shall be deemed to have failed to file records for that year." ]<sup>1</sup>

1. Substituted by Act 6 of 2002 w.e.f. 1.4.2002.

**14. Property of society how vested.-** The property, movable and immovable, belonging to a society registered under this Act, if not, vested in trustees, shall be

deemed to be vested, for the time being in the governing body of such society, and in all proceedings, civil and criminal, the property may be described as the property of the governing body of such society by their proper title.

**15. Suits by and against society.-** Every society registered under this Act may sue or be sued in the name of the president, chairman, or principal secretary or the trustees as shall be determined by the rules and regulations of the society, and, in default, of such determination, in the name of such person as shall be appointed by the governing body for the occasion:

Provided that, it shall be competent for any person having a claim or demand against the society, to sue the president or chairman, or principal secretary or the trustees thereof, if, on application to the governing body, some other officer or person be not nominated to be the defendant.

**16. Suits not to abate.-** No suit or proceeding in any civil court shall abate or discontinue by reason of the person by or against whom such suit or proceeding shall have been brought or continued, dying or ceasing to fill the character in the name whereof he shall have sued or been sued, but the same suit or proceeding shall be continued in the name of or against the successor of such person.

**17. Enforcement of judgment against society.-** (1) If a judgment is passed against the person or officer named on behalf of the society, such judgment shall not be enforced against the person or property of such person or officer, but shall be enforced against the property of the society.

(2) The application for execution shall set forth the judgment, the fact of the party against whom it shall have been passed having sued or having been sued, as the case may be, on behalf of the society only, and shall require to have the judgment enforced against the property of the society.

**18. Recovery of penalty accruing under bye-law.-** Whenever by any bye-law duly made in accordance with the rules and regulations of the society, or, if the rules do not provide for the making of bye-laws, by any bye-law passed at a general meeting of the members of the society convened for the purpose by a majority of not less than three-fifths of the members present at such meeting, any pecuniary penalty is imposed for the breach of any rule or bye-law of the society, such penalty, when accrued, may be recovered in any court having jurisdiction where the defendant shall reside, or the society shall be situate, as the governing body thereof shall deem expedient.

**19. Members liable to be sued as strangers.-** Any member who may be in arrear of a subscription which according to the rules of the society, he is bound to pay, or who shall possess himself of or detain any property of the society in a manner or for a time contrary to such rules, or shall injure or destroy any property of the society, may be sued for such arrear or for the damage accruing from such detention, injury or destruction of property in the manner hereinbefore provided.

**20. Members guilty of offences punishable as strangers.-** Any member of the society who shall steal, purloin or embezzle any money or other property, or wilfully and maliciously destroy or injure any property of such society, or shall forge any deed, bond,

security for money, receipt or other instrument, whereby the funds of the society may be exposed to loss, shall be subject to the same prosecution, and, if convicted, shall be liable to be punished in like manner, as any person not a member would be subject and liable to in respect of the like offence.

**21. Procedure for amalgamation of societies.-** Whenever it shall appear to the governing body of any society registered under this Act, which has been established for any particular purpose or purposes, that it is advisable to amalgamate such society, either wholly or partially with any other society, such governing body may submit the proposition to the members of the society in a written or printed report, and may convene a special general meeting for the consideration thereof according to the rules and regulations of the society. But no such proposition shall be deemed to have been approved unless such report shall have been delivered or sent by post to every member of the society, twenty-one days previous to the date of the special general meeting convened by the governing body for the consideration thereof, and unless such proposition shall have been agreed to by the votes, cast in favour of the proposition by members who being entitled so to do, vote in person, or where proxies are allowed, by proxy, and such votes are not less than three times the number of votes, if any, cast against the resolution by members so entitled and voting and confirmed by a similar majority of votes at a second special general meeting convened by the governing body after an interval of thirty days after the former meeting.

**22. Provision for dissolution of societies and adjustment of their affairs.-** Any number not less than three-fourths of the members of any society may determine that it shall be dissolved and thereupon it shall be dissolved forthwith, or at the time then agreed upon, and all necessary steps shall be taken for the disposal and settlement of the property of the society, its claims and liabilities, according to the rules of the said society applicable thereto, if any, and if there are no such rules, as the governing body shall find expedient, provided that, in the event of any dispute arising among the said governing body or the members of the society, the adjustment of its affairs shall be referred to the principal court of original civil jurisdiction of the district in which the registered office of the society is situate; and the court shall make such order in the matter as it shall deem requisite:

Provided that no society shall be dissolved unless three-fourths of the members shall have expressed a wish for such dissolution by their votes delivered in person, or where proxies are allowed, by proxy, at a special general meeting convened for the purpose:

Provided further that whenever the State Government is a member of, or a contributor to, or otherwise interested in any society registered under this Act, such society shall not be dissolved without the consent of the State Government.

**23. Upon dissolution, no member to receive profit.-** (1) If upon the dissolution of any society registered under this Act, there shall remain, after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among the members of the said society or any of them, but shall be given to some other society, to be determined by the votes of not less than three-fifths of the members present personally or where proxies are allowed, by proxy at the time of the

dissolution, or in default thereof, by the principal civil court of original jurisdiction of the district.

(2) Notwithstanding anything contained in sub-section (1), it shall be lawful for the members of any society dissolved, to determine by a majority of the votes of the members present personally or where proxies are allowed, by proxy, at the time of dissolution of such society that any property whatsoever remaining after the satisfaction of all its debts and liabilities shall be given to the State Government to be utilised for any of the purposes referred to in section 3.

**24. Inspection of documents.-** Any person may inspect all documents filed with the Registrar under this Act <sup>1</sup>[on payment of such fee as may be prescribed]<sup>1</sup> and any person may require a copy or extract of any document or any part of any document to be certified by the Registrar, on payment of <sup>1</sup>[such fee as may be prescribed]<sup>1</sup> for every hundred words of such copy or extract; and such certified copy shall be *prima facie* evidence of the matters therein contained in all legal proceedings whatever.

1. Substituted by Act 7 of 2000 w.e.f. 1.4.2000.

**25. Enquiry by the Registrar, etc.-** (1) The Registrar may on his own motion and shall on the application of the majority of the members of the governing body or of not less than one-third of the members of the society, hold an enquiry or direct some person authorised by him by order in writing in accordance with the rules made in this behalf to hold an enquiry into the constitution, working and financial condition of a registered society.

(2) The Registrar or the person authorised by him under sub-section (1) shall have the following powers, namely,—

(a) he shall, at all reasonable times, have free access to the books, accounts, documents, securities, cash and other properties belonging to or in the custody of the society and may summon any person in possession or responsible for the custody of any such books, accounts, documents securities, cash or other properties to produce the same at any place at the headquarters of the society or any branch thereof;

(b) he may summon any person who, he has reason to believe, has knowledge of any of the affairs of the society to appear before him at any place at the headquarters of the society or any branch thereof and may examine such person on oath;

(c) (i) he may, notwithstanding anything contained in this Act or in any rule or regulation prescribing the period of notice for a general meeting of the society, require the governing body of the society to call a general meeting at such time and place at the headquarters of the society or any branch thereof and to determine such matters as may be directed by him. If the governing body of the society refuses or fails to call a meeting, he shall have power to call it himself;

(ii) any meeting called under sub-clause (i) shall have all the powers of a general meeting called under the rules or regulations of the society and its proceedings shall be regulated by such rules or regulations;

(iii) when an enquiry is made under this section, the Registrar shall communicate the result of the enquiry to the society concerned.

**26. Surcharge.-** (1) Where, in the course of an enquiry under section 25, it appears that any person who had taken part in the establishment or management of the society or any past or present president, secretary, member of the governing body or officer or any member of the staff of the society has misapplied or retained or become liable or accountable for any money or property of the society, or has been guilty of misfeasance or breach of trust in relation to the society, the Registrar may, on a report received from the officer or on an application received from the governing body of the society or of his own motion, examine into the conduct of such person and after giving reasonable opportunity to the person concerned to submit his explanation, make an order requiring him to repay or restore the money or property or any part thereof, respectively with interest at such rate as the Registrar thinks just or to contribute such sum to the assets of the society by way of compensation in regard to the misapplication, retainer, misfeasance or breach of trust as the Registrar thinks just.

(2) The order of the Registrar under sub-section (1) shall be final unless it is set aside by the <sup>1</sup>[Karnataka Appellate Tribunal]<sup>1</sup> on an appeal filed before it within sixty days from the date of communication of the order. Every such appeal shall be accompanied by a fee of ten rupees.

1. Substituted by Act 7 of 1978 w.e.f. 29.9.1977.

(3) Any sum ordered under this section to be repaid to a society or recovered as a contribution to its assets may on a requisition being made in this behalf by the Registrar, be recovered by the Deputy Commissioner, in the same manner as arrears of land revenue.

(4) This section shall apply notwithstanding such person may have incurred criminal liability by his act.

**27. Cancellation of registration and dissolution of certain societies.-** (1) If it appears to the Registrar that any society registered or deemed to be registered under this Act, is carrying on any unlawful activity or allows unlawful activity to be carried on within any premises under the control of the society, <sup>1</sup>[the Registrar may hold an enquiry or authorise any officer to hold an enquiry into the activities of such society and in respect of every such enquiry, the Registrar or the authorised officer]<sup>1</sup> shall have the same powers as are specified in sub-section (2) of section 25. <sup>2</sup>[The authorised officer shall, on completion of the enquiry, submit a report to the Registrar.]<sup>2</sup>

1. Substituted by Act 26 of 1965 w.e.f. 2.12.1965.

2. Inserted by Act 26 of 1965 w.e.f. 2.12.1965.

(2) If on an enquiry under sub-section (1), the Registrar is satisfied that any such society has been carrying on any unlawful activity or has allowed any unlawful activity to be carried on within any premises under the control of the society, he shall, after giving reasonable notice to the society to show cause why the registration of the society should not be cancelled and the society dissolved, and after considering the representations, if any, made on behalf of the society, by order cancel the registration of the society and direct dissolution of the society; and thereupon the assets of the society shall be

distributed, and the liabilities discharged, in the same manner as if the society had been dissolved under section 22.

(3) An appeal shall lie to the <sup>1</sup>[Karnataka Appellate Tribunal]<sup>1</sup> against any order passed by the Registrar under sub-section (2), within sixty days from the date of communication of the order, and the decision on such appeal shall be final.

1. Substituted by Act 7 of 1978 w.e.f. 29.9.1977.

**Explanation.**—For purposes of this section, an activity shall be deemed to be unlawful if such activity is an offence punishable under any provision of law for the time being in force.

**<sup>1</sup>[27A. Appointment of Administrator.-** Notwithstanding anything in this Act,—

1. Sub section 1 to 5, 5A, 6 inserted by Act 65 of 1976 w.e.f. 2.7.1976.

- (1)(a) where any society on account of the pendency of litigation or otherwise has not held or is unable to hold the annual general meeting; or
- (b) where the term of office of the members of the governing body of a society has expired and a new governing body has not for any reason been constituted; or
- (c) where on a report made by the Registrar or otherwise, on enquiry, the State Government considers it necessary in public interest so to do,

-the State Government may, by order published in the official Gazette, appoint an Administrator for such society for such period, not exceeding six months, as may be specified in the order, to manage the affairs of the society:

Provided that for reasons to be recorded in writing, the State Government may, by like order, <sup>1</sup>[extend either prospectively or retrospectively, the said period]<sup>1</sup> by any further periods not exceeding six months at a time, so however subject to the provisions of clause (5), the aggregate period shall not extend beyond <sup>2</sup>[four years]<sup>2</sup>;

1. Substituted by Act 48 of 1986 w.e.f. 25.11.1986.

2. Substituted by 7 of 1978 w.e.f. 29.9.1977.

(2) the expenditure incurred by the State Government towards the salary and allowances of the Administrator shall be paid to the State Government from out of the funds of the society;

(3) on the appointment of the Administrator under clause (1) and during the period of such appointment the governing body of the society shall cease to exercise any powers and perform and discharge any functions or duties conferred or imposed on it by this Act, or its memorandum of association or the rules and regulations or any other law and subject to any directions which the State Government, may from time to time issue, all such functions or duties shall be performed or discharged by the Administrator;

(4) the Administrator shall, before the expiry of the period of his appointment take necessary action to convene the general body meeting of the society and hold elections for the constitution of the governing body;

(5) if the Administrator is not, for reasons beyond his control, able to convene the general body meeting or in spite of such meeting being convened, the general body fails to elect the governing body, the Administrator shall forthwith send a report to the State Government, who may pass such orders as are considered necessary, either extending the period of appointment of the Administrator for a further period or if satisfied that public interest so requires, for the dissolution of the society;

<sup>1</sup>[(5A) the State Government may, if it thinks fit, appoint an Advisory Council to advise and assist the administrator appointed under sub-section (1) in the exercise of the powers and performance and discharge of the duties and functions conferred or imposed on him under this Act. The members of the Advisory Council shall hold office during the pleasure of the State Government.]<sup>1</sup>

1. Inserted by Act 7 of 1978 w.e.f. 29.9.1977.

(6) where an order of dissolution is passed under sub-section (5) the assets of the society shall vest in and the liabilities shall devolve on the State Government.]<sup>1</sup>

**28. Offences and penalties.-** If,—

- (a) the president, chairman, principal secretary or any member of the governing body or any officer of a society contravenes the provisions of sub-section (2) of section 9, or sub-section (2) of section 10, or sub-sections (1) and (2) of section 11, section 12 or section 13;
- (b) the president, chairman, principal secretary or an officer or member of the governing body of society wilfully makes or furnishes a false return or makes or furnishes a return or statement which he does not believe to be true; or
- (c) any person wilfully or without any reasonable excuse disobeys any summons, requisition or lawfully written order issued under the provisions of this Act or does not furnish any information lawfully required from him by a person authorised in this behalf under the provisions of this Act,

-such president, chairman, principal secretary, member or person shall, on conviction, be punishable with fine which may extend to <sup>1</sup>[one thousand rupees.]<sup>1</sup>

1. Substituted by Act 7 of 2000 w.e.f. 1.4.2000.

**29. Cognizance of offences.-** No court inferior to that of a Magistrate of the First Class shall try an offence under this Act.

**30. Power to make rules.-** (1) The State Government may by notification in the official Gazette make such rules as may be necessary for carrying out the purposes of this Act.

<sup>1</sup>[(1A) Without prejudice to the generality of the provision of sub-section (1), the State Government may fix such fees and fines for the following, namely:-

1. Clause a to g inserted by act 7 of 2000 w.e.f. 1.4.2000.

- (a) For the registration of Societies under sub-section (1) of section 8.

(b) For appeal before Karnataka Appellate Tribunal under sub-section (3) of section 8, sub-section (3) of section 9 and sub-section (3) of section 10.

(c) For filing of charge in Memorandum of Association under sub-section (2) of section 9.

(d) For filing of change of name, rules and regulations under sub-section (2) of section 10.

(e) Filing of the List and Balance sheet and Income and Expenditure account under section 13.

(f) Fines under sections 13 and section 28.

(g) Fee for enquiry under section 25.]<sup>1</sup>

(2) All rules made under this Act shall be laid, as soon as may be, after they are made, before each House of the State Legislature while it is in session for a total period of thirty days which may be comprised in one session or in two or more sessions and if before the expiry of the said period, either House of the State Legislature makes any modification in the rules or directs that the rules shall not have effect and if the modification or direction is agreed to by the other House, the rules shall thereafter have effect only in such modified form or be of no effect, as the case may be.

**31. Repeal and savings.-** The Mysore Societies Registration Act, 1904 (Mysore Act No. III of 1904), as in force in the Mysore Area, the Societies Registration Act, 1860 (Central Act No. XXI of 1860), as in force in the <sup>1</sup>[Belgaum Area]<sup>1</sup>, the <sup>1</sup>[Mangalore and Kollegal Area]<sup>1</sup> and the Coorg District and the Public Societies Registration Act, 1350 Fasli (Hyderabad Act I of 1350 Fasli), as in force in the <sup>1</sup>[Gulbarga Area]<sup>1</sup> are hereby repealed:

Provided that every society registered under any of the repealed enactments shall be deemed to be registered under this Act:

Provided further that subject to the preceding proviso the provisions of section 6 of the <sup>1</sup>[Karnataka]<sup>1</sup> General Clauses Act, 1899, shall be applicable in respect of the repeal of the said enactments and sections 8 and 24 of the said Act shall be applicable as if the said enactments had been repealed and re-enacted by this act.

1. Adopted by the Karnataka adoption of laws order 1973 w.e.f. 1.11.1973.

## NOTIFICATIONS

I

**Bangalore, dated 6th June 1961 (Jyaishta 16, Saka Era 1883).**

**[No. RD 129 GRG 60]**

In exercise of the powers conferred by sub-section (3) of Section 1 of the Mysore Societies Registration Act, 1960 (Mysore Act No. 17 of 1960), the Government of Mysore hereby appoint 15th day of June 1961 as the date from which the said Act shall come into force.

By Order and in the name of the Governor of Mysore,

(D. NAGSETTI)

*Under Secretary to Government, Revenue Department.*

II

**Bangalore dated 19th June, 1975.[ No. RD 70 EST 75]**

**S.O. 1734.**—In exercise of the powers conferred by sub-section (2) of section 1 of the Karnataka Societies Registration (Amendment) Act, 1975 (Karnataka Act No. 20 of 1975), the Government of Karnataka hereby appoints the 1st day of July, 1975 as the date on which the said Act shall come into force.

By Order and in the name of the Governor of Karnataka,

(MUDDUMALLAIAH)

*/c, Under Secretary to Government, Revenue Department.*