

DETAILED COMPARISON OF VARIOUS TYPES OF REGISTRATION

S.No	<u>Not-For-profit Organization</u>		
	<i>Trust</i>	<i>Society</i>	<i>Section 8 Company</i>
1.	<u>Statue and legislation</u>		
	Relevant State Trust Act or Bombay Public Trust Act, 1950	Societies are governed under the Society Registration Act, 1860 which is an all-India act.	Companies Act 2013.
2.	<u>Jurisdiction</u>		
	The Trusts are under the judiciary of Deputy Registrar/ Charity commissioner of the relevant area.	The power to register a Society lies in the hands of Registrar of societies (charity commissioner in Maharashtra).	The power to register a section 8 company lies in the hand of regional Director and Registrar of companies of concerned state.
3.	<u>Registration Document</u>		
	For registration of Trust main instrument is Trust deed.	For the registration of Society the main instrument is Memorandum of Association and rules & regulations.	For the registration of section 8 company the main instrument is Memorandum and Article of Association.
4.	<u>Approval of Name</u>		
	No Bar on name approval	No Bar on name approval	Approval for name is required from MCA
5.	<u>Governing Structure</u>		
	Only Board of Trustees	Two bodies required- General Body and Board	Board of Directors
6.	<u>Board Meetings</u>		
	As per Trust deed. For good governance one AGM and at least 4 Governing body meeting.	As per MOA. For good governance one AGM and at least 4 Governing body meeting.	At least one annual general meeting in six months.
7.	<u>Minimum Number of Board Members required</u>		
	One settler would be required and two or more Trustee would have to be there.	Minimum 7 members required. In case of national level, 8 members from different states are required.	Minimum 2 Sahreholders, registered under central act so can work throughout India, there is no upper limit.

8.	<u>Board Members from outside India</u>		
	Possible but it would not be possible then to get Prior permission or registration under FCRA which is necessary for receiving foreign funds.	Possible but it would not be possible then to get Prior permission or registration under FCRA	At par with Trust.
9.	<u>Time needed to setup various entities</u>		
	Three weeks	45 Days	Three months
10.	<u>Cost of setting up entities</u>		
	Rs. 1,50,000	Rs. 1,50,000	Rs. 2,50,000
11.	<u>Incorporation Law Compliances</u>		
	No annual compliances	List of Board members to be filed annually	Requires a lot of annual compliances to be filed with MCA and therefore, incurs more costs.
12.	<u>Revocability/ Dissolution of the entity</u>		
	Not possible	Only possible if dissolution clause has been mentioned in the bye-laws	Involves few processes and therefore, incurs more costs
13.	<u>Conducting Meetings via video conferencing</u>		
	Meeting through electronic media possible as per the interpretation of IT Act, 2000	Meeting through electronic media possible as per the interpretation on IT Act, 2000	Meeting through video conferencing is possible as per the IT Act, 2000
14.	<u>Can training/ workshops/ publication/ hiring consultants held inside or outside India. Can the receive fees/ charges for such training/ services</u>		
	Yes but the activity cannot be done outside India if 12AA registration is taken. In case otherwise full amount would be chargeable to Income tax.	Yes but the activity cannot be done outside India if 12AA registration is taken. In case otherwise full amount would be chargeable to Income tax.	At par with Trust and Society.
15.	<u>From the point of view of grant of subsidy by government</u>		
	Fewer subsidies provided by government.	Fewer subsidies provided by government.	Large amount of subsidies are provided by the Government