Juristic Person - UPSC Notes

Juristic person is a term often seen in the news. It is important to understand what a juristic person is, and how the concept is used in jurisprudence in India. In this article, you can learn all about the meaning of the term juristic person, types of legal entities, examples of juristic persons especially with reference to the Indian context for the UPSC exam.

Juristic Person Meaning

A juristic person is a non-human legal entity recognized by the law and entitled to rights and duties in the same way as a human being.

- The Supreme Court in Shiromani Gurdwara Parbandhak Committee vs Som Nath Dass and Others (2000) said: “The very words Juristic Person connote recognition of an entity to be in law a person which otherwise it is not. In other words, it is not an individual natural person but an artificially created person which is to be recognised to be in law as such.”

There are two kinds of legal entities: human and non-human

- In law, a human person is called a natural person (sometimes also a physical person). They are capable of assuming obligations and holding rights.
- A non-human person is called a juridical person (sometimes also a juridic, juristic, artificial or legal Person).

Legal persons are the creations of the law

- Legal Person includes those things which are treated in the same way as human beings for legal purposes.
- Legal persons have rights and co-relative duties; they can sue and be sued, can possess and transfer property.
- Since they’re voiceless, this is mostly done through guardians and representatives.
- Gods, corporations, rivers, and animals, have all been treated as juristic persons by courts.

Juristic Persons Examples

Some examples of juristic persons are discussed below.

Deities

- The treatment of deities as juristic persons started under the British. Temples owned huge land and resources, and British administrators held that the legal owner of the wealth was the deity, with a shebait or manager acting as trustee.
  - In 1887, the Bombay High Court held in the Dakor Temple case: “Hindu idol is a juridical subject and the pious idea that it embodies is given the status of a legal person.”
  - In Bishwanath and Anr vs Shri Thakur Radhaballabhji & Ors (1967), the Supreme Court held that if a shebait does not discharge their duties properly, a devotee can move court as “friend of the deity”.
- However, not every deity is a legal person. This status is given to an idol only after its public consecration, or prana pratishtha.
In Yogendra Nath Naskar vs Commissioner of Income Tax (1969), the Supreme Court ruled: “It is not all idols that will qualify for being ‘juristic person’ but only when it is consecrated and installed at a public place for the public at large.”

Justice D Y Chandrachud in the Sabarimala judgment held: “Merely because a deity has been granted limited rights as juristic persons under statutory law does not mean that the deity necessarily has constitutional rights.”

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Animals

- The Punjab and Haryana High Court has acceded the status of ‘legal person or entity’ to animals in Haryana giving them the corresponding ‘rights, duties and liabilities of a living person’.
- Stating that animals cannot be treated as ‘objects’ or ‘property’ and are entitled to justice, the verdict reads, ‘The corporations, Hindu idols, holy scriptures, rivers have been declared legal entities and thus, in order to protect and promote greater welfare of animals including avian and aquatic, animals are required to be conferred with the status of legal entity/ legal person.

Corporations

- A corporation is distinguished from the individuals who constitute the corporation. A corporation has a personality of the individuals. A corporation can sue and be sued.
- Even if the members of a corporation die, the corporation continues. A corporation is recognized by law as a permanent and continuous legal entity.
- The legal status and position of a company have been aptly described by the Supreme Court of India in Tata Engineering & Locomotive Company Ltd., V State of Bihar.
  - The court observed, ‘the corporation in law is equal to a natural person and has a legal entity of its own’.
  - The entity of the corporation is entirely separate from that of its shareholders and its assets are separate from those of its shareholders.

Rivers

- The Uttarakhand High Court declared Ganga and Yamuna rivers "living entities".
  - The High Court judgement ordered that the two rivers be represented by the chief of the National Mission for Clean Ganga - a government body overseeing projects and conservation of the Ganga - as well as the state's Chief Secretary and Advocate General.
- The Supreme Court however ruled rivers cannot be viewed as living entities.
- In 2017, New Zealand granted legal personhood to the Whanganui River.

Conclusion

- Thus, it is clear that incorporation had great importance because it attributes legal personality to nonliving entities such as companies, institutions, etc. which help in determining their rights and duties.
- Clothed with legal personality, these non-living personalities can own, use and dispose of property in their own names.
- Unincorporated institutions are denied this advantage because their existence is not different from the members.