TAMIL NADU CHIT FUNDS RULES, 1984

In exercise of the powers conferred by Section 89 of the Chit Funds Act, 1982 (Central Act 40 of 1982), the governor of Tamil Nadu, I consultation with the Reserve Bank of India, hereby makes the following rules.

Chapter I
Preliminary

1.Short title –(1) These rules may be called the Tamil Nadu Chit Funds Rules, 1984.

(2) They shall come into force on the 13th April, 1984.

2.Definitions—In these rules, unless the context otherwise reuires, -- (a) “Act” means the Chit Funds Act, 1982, (Central Act 40 of 1982; (b) “appendix” means Appendix I or, as the case may be, Appendix II to these rules:

(c)”authorized agent” means a person duly authorized by power of attorney executed and authenticated in the manner specified in Section 33 of the registration Act, 1908 (Central Act XIV of 1908) or a person authorized by a duly stamped power of attorney or a letter of authorization specified in

Form XX by the person concerned;

(d) “form” means a form in Appendix I to these Rules;

(e) “Section” means a section of the Act;

(f) Words and expressions used in these rules but not defined herein shall have the same meanings respectively assigned to them in the Act.

Chapter II

Registration

3.Application for obtaining prior sanction for commencement or conduct of chit—Every application for obtaining prior sanction of the State Government or the officer empowered by it in this behalf, for commencement of conduct of a chit shall be made by the foreman in

Form I.

4.Refusal to sanction commencement or conduct of a chit— (1) where sanction for the commencement or conduct of a chit is refused, the reasons for such refusal shall be recorded in writing and a copy thereof shall be communicated to the applicants.

(2) Before refusing such sanction, the State Government or the Officer empowered by them in this behalf shall issue a notice to the foreman calling upon him to show cause within a reasonable period to be specified in such notice as to why sanction be not refused.

4A.Condonation of delay in payment of fees for filing of records for sanction for commencement or conduct of Chit.—Where it is proposed to refuse sanction for the commencement or conduct of chit for delay in payment of fees or filing of any statement or record required to be paid or filed under the Act or the rules made thereunder, the State Government or the Officer empowered by them in this behalf shall condone the delay, if they or the officer so empowered, as the case may be, is satisfied hearing the foreman or due to other bonafide, provided the foreman has paid the fees or filed necessary documents on or before the date of such hearing.

5.Application for registration of a chit.—Every application for the registration of a chit to be made by the foreman to the Registrar shall be in

6.Endorsement of registration of a chit.—The endorsement of registration of a chit agreement to be issued by the Registrar shall be in

Form II.

7.Registration number of chit.—Every chit registered under the Act shall be numbered serially by the Registrar in separate series for each calendar year.

8. Refusal to register a chit.—(1) If the Registrar refused to register a chit, he shall record the reasons for such refusal in writing and communicate a copy of the order made in this regard to the applicant.

(2) Before refusing such registration, the Registrar shall issue a notice to the Foreman calling upon him to show cause within a reasonable period to be specified in such notice as to why the registration be not refused.

8A. Condonation of delay in payment of fees or filing of records for registration.— Where it is proposed to refuse registration of a chit for delay in payment of fees or filing of any statement or record required to be paid or filed under the Act or the rules made thereunder, the Registrar shall condone the delay, if he is satisfied on hearing the foreman that the delay has occurred due to reasons beyond the control of the foreman or due to other bona fide reasons provided the foreman has paid the fees or filed necessary documents on or before the date of such hearing.

9. Application for appropriation of any sum from the reserve fund.—Every application for obtaining prior approval of the Registrar for appropriation by a company of any sum the reserve fund shall be in

10. Declaration to be filed about subscription to all tickets of a chit.—Every declaration to be filed by a foreman after all tickets in a chit specified in the chit agreement have been fully subscribed shall be in

Form V.

11. Form of commencement of chit.—The certificate of

Form VI.

12. Form of certificate about furnishing copy of the chit agreement to the subscribers of a chit.—The certificate by the foreman about having furnished a copy of the chit agreement to every subscriber of a

chit to be filed with the Registrar shall be in

Form VII.

13. Form of chit agreement.—The chit agreement of every chit commenced under the Act shall, as far as may be conform to the proforma set forth in Form VIII.

14. Filling of alteration, addition or omission of chit agreement.—(1) No alteration, addition or cancellation of any provision in the chit agreement shall have effect unless such alteration or addition or as the case may be, cancellation is registered. If the foreman makes any alteration or addition or cancellation f any provisions in the chit agreement, he shall submit such alteration or addition, cancellation in duplicate to the Registrar duly signed and attested by at least two witnesses along with the application for registration of such alteration or addition or cancellation, as the case may be, of the chit agreement.

(2) An application to file an alteration of or addition to or cancellation of any provision in the chit agreement shall be dealt with the same manner as an application for filing the chit agreement.

15. Data of effect of alteration or addition or cancellation of any provision in the chit agreement.—An alteration of, or addition to, or cancellation of any provision in the chit agreement shall not take effect from a date earlier than the date of such registration of the alteration or addition or cancellation as the case may be unless otherwise ordered by the registrar:

Provided that the Registrar shall not give effect to the alteration or addition or omission from a date earlier than the date of application for registration of the alteration or addition or omission of any provision of the chit agreement, as the case may be.

16. Form of notice to Chit Subscriber.—Every notice to be given by a foreman to the subscribers in achit under Section 16 shall be in

Form IX. It shall be sent to each subscriber under certificate of posting and shall also be exhibited on the Notice Board of the office of the foreman.

17. Form of minutes of proceedings.—The minutes of proceedings of every draw shall, in addition to the particulars specified in sub-section (2) of Section 17, contain full particulars of the following points, namely:-

(a) Particulars of deposit, if any, of the prize amount under sub-section (2) of Section 22 since the date of the previous draw;

(b) Particulars of deposit, if any, of money, under sub-section (1) of Section 22, sub-section (1) of Section 30 and sub-section (4) of Section 33 since the date of the previous draw;

(c) Amount withdrawn from the approved bank (the name of the bank to be specified) and the purpose for which the amount was withdrawn since the date of the previous draw;

(d) How the prized subscriber was ascertained according to the terms of the chit agreement and particulars of tickets and prize amount. If the ascertainment of the prized subscriber related to a fraction of ac ticket, particulars in respect of each such fraction shall be entered;

(e) Full particulars of the commission, remuneration or for meeting the expenses of the chit, paid to the foreman and the amount of divided assigned each subscriber;

(f) Names of subscribers or their authorized agents who bid at the draw, their ticket numbers and signatures.

Chapter III

Foreman

18. Procedure in the case of security given by the foreman.—[(1)(a)] In case of cash deposited in an approved bank in the name of the Registrar under sub-clause (i) of clause (a) of sub-section(1) of Section 20, the receipt or the book issued by the approved bank mentioned in the chit agreement shall be delivered to the Registrar.

[(1)(b) In case of bank guarantee from an approved bank under sub-clause (ii) of clause (a) of sub-section (1) of Section 20. The said bank guarantee shall be delivered to the Registrar].

(2) In case of Government securities transferred in favour of the Registrar under clause (b) of sub-section (1) of Section 20, the Registrar shall keep them in safe custody under his control in any Government Treasury.

(3) If the security charged is movable property other than deposit in an approved bank or Government securities, the foreman shall make all necessary arrangements for their deposit with the Registrar or with such bank or other agency as may be approved by the Registrar for ensuring that the property deposited is available as security for the proper conduct of a chit.

(4) In the case of trustee securities to be transferred in favour of the Registrar under clause (c) of sub-section (1) of Section 20.

(i) where the security is other than immovable property, the value of the security shall not be less than one and a half times the value of the chit amount, and

(ii) in respect of security of immovable property, the value of the security shall not be less than two times the value of the chit amount.

(5) A foreman of chit proposing to give (movable or immovable property as security for the proper conduct of a chit shall apply to the Registrar in

Form X. The application under this sub-rule shall clearly furnish the correct and complete information regarding the property offered as security. In case the property offered is immovable property, the application shall be accompanied by the documents of title to the property and an encumbrance certificate for 30 years relating to the property.

(6) Where the immovable property offered as security is situated outside the jurisdiction of the Registrar having jurisdiction over the chit, te inspection of the property shall where the property is situated outside the State of Tamil Nadu, be made and report sent by the Registrar having jurisdiction over such property under an order special or general of the Government to which he is subordinate, who shall forward a report to the Registrar concerned as to the sufficiency of the security.

(7) If the security offered is accepted as sufficient by the Registrar, he shall record in writing on the application, a certificate of sufficiency in

Form XI and attach a statement of the valuation made.

(8) If the security offered is not accepted by the Registrar, he shall give the applicant an endorsement to that effect.

19. Valuation of the chit amount in grain chits.—Ina grain chit for the purpose of security under Section 20, the grain shall be valued, by the Registrar as follows:

(a) The total quantity of grain due from all subscribers at one installment of the chits shall be ascertained;

(b) The market value for the time being of the total quantity referred to in clause (a) shall then be calculated;

(c) In assessing the market value, the Registrar shall adopt the current market price at the nearest taluk town as ascertained from the Tahsildar having jurisdiction;

(d) One and a quarter times the market value mentioned in clause (b) shall be taken to be the chit amount for the purpose of furnishing security by the foreman under sub-section 91) of Section 20.

20. Substitution of security.—(1) During the currency of chit, the foreman may apply to the Registrar in

Form XII for permission to substitute the security given by him for the proper conduct of the chit by fresh security.

(2) The Registrar may grant permission after satisfying himself---

(i) that the request of the foreman for substitution of the security given under Section 20 is for the reasons stated in the application; and

(ii) that the fresh security offered is adequate;

(3) The procedure prescribed in Rule 18 shall apply mutatis mutandis to the substituted security given by the foreman under this rule.

21. Release of original security in case of substitutions.—(1) The Registrar shall if so required by the foreman, execute and register a deed of release in respect of the original security at the cost of the foreman.

(2) If the original security to be returned is Government securities deposited in a Government treasury, the Registrar shall arrange to return the securities offered by the foreman after making endorsements of re-transferin the passbook (receipt) or Government security (or other record) as the case may be.

(3) If the original security to be returned is movable property other than Government security, the Registrar shall arrange to return such

security under proper acknowledgment. He shall, if so required by the foreman execute a deed of transfer or release at the cost of foreman.

22. Application for release of security.—On termination of the chit, the foreman may apply to the Registrar for the release of the security, given by him.

23. Declaration by foreman.—The application for release of security under sub-section (5) of Section 20 shall contain a declaration separately signed by the foreman stating that the claims of all the subscribers have been fully satisfied and that all dues payable by the foreman under the Act to the Registrar or any other officer have been fully paid.

24. Procedure for release of security.—(1)(a) The Registrar may for the purpose of releasing the security under sub-section (5) of Section 20 call upon the foreman to produce a copy duly certified to be a true copy of any register and books of account maintained by the foreman and shall exhibit a notice on his office notice board stating that the security is proposed to be released and that nay person objecting to such release may file with the Registrar his statement of objections, if any, within fifteen days from the date of exhibition of the notice;

(b) If no objections are received within the period specified in the notice, the Registrar shall release the security.

(2) If any objections are received, the Registrar shall enquire into the objections summarily within fourteen days after the date of expiry of the period specified in the notice referred to in sub-rule (1)(a) and record his decision in writing and forward a copy thereof to the foreman and to the objector.

(3) The procedure prescribed in Rule 21 for re-transfer of the property by the Registrar shall apply mutatis mutandis to the release of security made under this rule.

25. Books of account to be maintained by the foreman.—In addition to the book of minutes of draws mentioned in Section 17, every foreman shall keep the following registers and books of accounts in the forms mentioned against each or in the forms as near thereto as possible.

(1) A register of subscribers in Form XIII;

(2) A ledger in Form XIV;

(3) A day book in Form XV;

(4) A receipt book in Form XVI duly certified by the Foreman as to the number of pages in duplicate;

(5) A book containing copies of all notices issued by the Foreman to the subscribers;

(6) A file containing the letters of authorization of the subscribers, for subscribing his name in the chit agreement and for participating in the auction of the chit;

(7) A file containing the vouchers for payment made by the foreman;

(8) A file containing documents relating to securities offered by the prized subscribers.

(9) A register in Form XXII showing the amounts deposited in approved banks in respect of all chit conducted by the foreman.

26. Accounts to be written up promptly.—(1) Every entry in the register of subscribers, the ledger or the day book mentioned in Rule 25 shall be made as and when the particular event occurs.

(2) On receipt of any money, a receipt shall immediately be prepared or cause to be prepared by the foreman in

Form XVI and delivered to the payer.

(3) The foreman shall at the time of issuing every notice prepare a copy thereof in the book mentioned under clause (5) of Rule 25, certify it to be true copy and enter therein under his Signature the date of dispatch of the notice.

(4) A voucher duly signed by the recipient shall be obtained by the foreman at the time any payment is made to him and such voucher shall be immediately filed in the file specified in clause (7) of Rule 25 after due verification of all the particulars entered therein.

(5) Every document relating to the security given by prized subscribers shall as soon as it is received be filed in the file mentioned in clause (8) of Rule 20. The file shall contain an index for facilitating the scrutiny of the documents.

27. Filing of vouchers.—As soon as each payment is made the foreman shall obtain a voucher from the payee. He shall verify whether the voucher specifies the proposed for which the payment was received and whether it is properly signed by the recipient and preserve it in the file mentioned in clause (7) of Rule 25 after assigning a serial number thereto for each calendar month.

28. Date for submission of balance sheet.—(1) The balance sheet referred to in Section 24 shall be prepared within period of two months from the expiry of the period with reference to which it is prepared.

(2) receipts and expenditure account and statement showing the assets and liabilities of the individual chit group shall be filed in the

Form XXI with Registrar within a period of two months from the termination of the chit when the duration of the chit does not exceed one year and when the duration of chit exceeds one year on expiry of every period of twelve months and also on the termination of the chit.

29. Audit by a chit auditor.—(1) If a foreman desires to have the balance sheet and profit and loss account audited by a chit auditor appointed under sub-section (2) of Section 61, the foreman shall immediately after the preparation of the balance sheet make an application for such audit to the Registrar within whose jurisdiction the chit is conducted, specifying whether the audit shall be at the premises of the foreman or not. The application shall e accompanied by the amount of fee set out in appendix II.

(2) The Registrar shall forward the application to the concerned Chit Auditor to have the balance sheet and profit and loss account and receipt and expenditure account of individual chit audited by him as early as possible. On receipt of the application, the chit auditor shall call upon the foreman to produce the chit records on such date, time and place as he may fix and the foreman shall produce all registers, books of accounts and other records relating to the chit accordingly and furnish such information and give such facilities as may be necessary or required for the proper audit of the balance sheet and profit and loss account and receipt and expenditure account of individual chit at the time and place fixed by the chit auditor.

(3) Notice of not less than seven days shall be given to the foreman as to the date of audit in the premised of the foreman or for the production of registers, books of account and other records relating to the chit business, as the case may be.

30. Audit certificate and report of the chit auditor to be in quadruplicate.—The chit auditor shall prepare his report and audit certificate in quadruplicate and shall send two copies to the foreman so that he can keep one copy with him and file the other copy under Rule 31, the third copy to the Registrar and keep the remaining copy for his own file.

31. Time for filing balance sheets audited by a chit auditor or other auditors:- (1) Where the audit is done by the chit auditor. the foreman shall file with the Registrar a copy of balance sheet and profit and loss account together with the audit certificate and the Auditor's report within one month from the date of the receipt of the audit certificate and audit report from the chit auditor or within three months from the last day of the period covered by the balance sheet whichever is earlier.

(2) In the case of audit by an auditor qualified to act as auditor of companies under the Companies Act, 1956 (Central Act 1 of 1956), the foreman shall file with the Registrar the documents referred to in sub-rule (1) within three months from the last date of the period covered by the balance sheet prepared under Section 24 and in the case of individual chit as referred to sub-rule (2) of Rule 28 within a period of two months.

Chapter IV

Winding up of Chits

32. From of petition for winding up winding up and presentation:- A petition for winding up of a chit shall contain the following particulars namely:-

(1) Full name, description, occupation and address of the petitioner; (2) Address of his advocate, if any, for the service of all notices, process, etc.,;

(3) Address of the foreman;

(4)

Particulars of the chit- (i) Number the date of registration of the chit agreement;

(ii) Office where the chit agreement was registered;

(iii) The chit amount;
(iv) The total number of tickets;
(v) The number of subscription and the number of tickets subscribed by each subscriber;
(vi) The number of non-prized subscribers on the date of the petition;
and
(vii) The number of unpaid prized subscribers, if any;
(5) Facts on which the petitioner relies in support of the petition; (6) particulars relation to the award and execution of other process which has been returned unsatisfied in whole or in part, if the ground of the petition is that execution of other process issued on an award of order of the Registrar in favour of any subscriber in respect of the amounts due to him from the foreman was returned unsatisfied in whole or in part;
(7)
Full details to show that the condition prescribed in clause (a) of the proviso to Section 49 is satisfied if the winding up of the chit is applied for under clause (d) of Section 48;
(8) Whether the previous sanction of the State Government has been obtained, if clause (b) of the proviso to Section 49 applies. (A copy of the relevant order of the State Government shall be attached).

33. Proposals for collection and distribution of chit assets:-

(1) The Receiver shall as soon as possible settle and submit to the Registrar a statement (hereinafter referred to as the "Provisional Statement") showing-

(a) The names of subscribers and other persons from whom money are due to the chit;

(b) The names of the subscribers and other persons to whom moneys are due from the chit;

(c) Proposals as to how the chit assets are to be collected and applied in the discharge of its liabilities; and

(d) The amount proposed to be paid to each of the persons specified in clause (b).

(2) Notice of the preparation of the provisional statement accompanied by a copy there of shall be published and be served on the petitioner, the subscribers and other persons mentioned by the Receiver in such manner as the Registrar may direct. If the number of persons on whom notice is to be served is large, the notice may, in the discretion of the Registrar, be served on the petitioner only and advertised in one or more daily newspapers. The notice shall specify the date on which objections to the provisional statement will be herd and shall call upon any person having such objections,

(i) to submit his statement of objections and the grounds there for supported by an affidavit before the date appointed by the Registrar in this behalf; and

(ii) to appear in person or by advocate on the date of hearing with all the evidence in support of his objections.

34. Set –off to be allowed:- When money is due from the foreman to a subscriber and also from the subscriber to the foreman, the subscriber shall be allowed the benefit of a set-off.

35. Hearing of objections to the provisional statement:- On the date fixed for the hearing of the objections under sub-rule (2) of Rule 33, the Registrar shall enquire into the objections and after considering the evidence, if any, adduced in support there of pass orders on the objections and call upon the Receiver to revise if necessary, the provisional statement in accordance with his orders. The Registrar shall fix a date by which such

revision is to be made and intimate orally or in writing such date to the persons who have appeared in person or through their advocated on the date of the hearing.

36.Final order of settlement by Registrar:-- (1) As soon as possible thereafter and at least ten days before the date fixed under Rule35, the receiver submit to the Registrar a fresh list of subscribers or other persons to whom or from whom moneys are due and fresh proposals for the distribution of the available chit assets after making such further enquiry as may be necessary. The Registrar shall thereupon consider the said list and proposals and approve or modify them in such manner as consider the said list and proposals and approve or modify them in such manner as considers necessary. The Registrar shall pass final orders accordingly on the date fixed under Rule 35 for the collection and distribution of the chit assets. The Registrar may also pass such orders as may be necessary for the distribution of the available chits assets in case such asset happen to be insufficient to meet the sums which have to be paid to the subscribers.

(2) The final order passed by the Registrar under this rule shall be conclusive evidence of the several claims to met out of the chit assets.

37. Provision for expenses of winding up.—In making proposals for the distribution of the chits assets, the Receiver shall specify the estimated amount of the cost of winding up including remuneration for the Receiver and such other types of expenditure as are incidental to the winding up and such estimated amount shall first be provided for and deducted from the value of the chit assets and the balance amount shall also be proposed for distribution in the provisional statement and the fresh list mentioned in Rule 36.

38. Filling of final accounts by Receiver:-- (1) Upon the termination of the proceeding relating to the winding up, the Receiver shall file his final

accounts with the Registrar and within fifteen days of such final accounts being passed by the Registrar the balance of money in the hands of the Receiver shall be paid the Registrar. The Receiver shall also state how the balance amount may be disposed of together with the reasons for his proposals. He shall also deposit with the Registrar all books, accounts and all other records relating to the chit which has been wound up.

(2) The Receiver may thereafter apply to the Registrar for a certificate of discharge from the duties as Receiver and for the vacating of his recognizance bonds entered into by him and the sureties, if any. On receipt of such application, the Registrar may pass orders of such discharge and vacating of the bonds and for the disposal of the final balance of the chits assets, if any.

39. Final order of winding up by the Registrar:-- (1) After the affairs of a chit have been completely wound up, the Registrar shall make an order recording the fact of such winding up.

(2) A copy of such order shall be exhibited on the notice board of the Registrar.

(40). Disposal of records.-- The books and papers of a chit which has been completely wound up and of the Receiver shall be retained and disposed of in such manner as the Registrar may direct.

(41). Meetings.-- When the number of subscribers is large and the Registrar, whether on application of the Receiver or not, at any stage considers that a meeting of all such parties is necessary in order to ascertain their wishes in any matter, the Registrar may pass an order for holding such a meeting. The Registrar may direct the manner in which and the time and place at which the meeting shall be held and the Receiver shall convene and hold the meeting accordingly.

Chapter v

Fees

42. Table of fees.—The fees payable to the Registration for matters specified in Section 62 and Section 63 shall be as set out in Appendix II and shall be paid in cash.

43. Receipt of fees.—The Registrar shall grant receipts for all fees received by him.

44. Refund of fees.—The Registrar my refund any fee paid to him to excess of the amount prescribed or any fee that is unearned.

Explanation.—The expression "fee that is unearned" in this rule means fees paid in connection with the registration of the chit agreement, the filing of a document or other service to be performed by the Registrar where such registration or filing is not actually effected or the service is not actually rendered.

Chapter VI

Disputes and Arbitration

45. Reference of dispute.—A reference of a dispute under Section 64 shall be made in writing to the Registrar in

form XVII Wherever necessary, the Registrar may require the party feferring the dispute to him to produce a certified copy of the relevant records on which the dispute is based and such other statements or records as may be required by him, before the proceeding with the consideration of such reference.

46. Registrar's satisfaction regarding existence of a dispute.-

Where any reference of a dispute is made to the Registrar or any matter is brought to his notice, the Registrar shall, on the basis of the reference (if

any) made to him in Form XVII and the relevant records and statements submitted to him, record his decision together with the reasons therefor, whether he is or is not satisfied about the existence of a dispute within the meaning of Section64. Such recording of decision shall be sufficient proof of the Registrar's satisfaction whether the matters is or is not a dispute as the case may be.

47. Disposal of a dispute or reference to a nominee.—(1) Where the Registrar is satisfied that there is a dispute the Registrar may decide the dispute himself or refer it for disposal to his nominee.

(2) Neither the Registrar nor his nominee shall take up for consideration any dispute, unless the parties concerned comply with the conditions of affixing the Court fees specified in Rule 57 for determining the dispute.

48. Qualifications for appointment as Registrar's nominees.—

(1) The State Government may appoint a person to be a Registrar's nominee provided that,--

(a) he has practiced as an Advocate, Pleader or Vakil for not less than five years,or

(b) he is enrolled as an Advocate, or holds a degree or other qualification in law of any University established by law or of any other authority which entitles him to be enrolled as an Advocate, and either(i) has held office not lower in rank than that of Deputy Registrar of Chits for not less than five years or (ii) possesses good knowledge and experience of chit funds legislation and practice.

(2) The State Government may, by notification in the official Gazette, appoint as many persons as might be necessary to act as Registrsr's nominees for settlement of disputes arising under the Act.

(49) Procedure for hearing and decision of disputes.—(1) The Registrar or his nominee shall record in the official language in vogue in the State, evidence of the parties to the dispute and the witnesses who attend. Upon the evidence so recorded and upon consideration of any documentary evidence produced by the parties, a decision shall be given by him in writing. Such decision shall be pronounced in the open Court, either at once or as soon as may be practicable on some future day, of which due notice shall be given to the parties.

(2) Where neither party appears when the dispute is called out for hearing, the Registrar or his nominee may make an order that it be dismissed for default.

(3) Where the opponent appears and the disputant does not appear when the dispute is called out for hearing, the Registrar or his nominee may make an order that the dispute be dismissed, unless the opponent admits the claims or a part thereof, in which case the Registrar or his nominee, as the case may be, may make an order against the opponent upon such admission, and where, part only of the claim is admitted, may dismiss the dispute in so far as it relates to the remainder.

(4) Where the disputant appears and the opponent does not appear when the dispute is called out for hearing, then if the Registrar or his nominee is satisfied from the record and proceeding that the summons was duly served, the Registrar or his nominee may proceed with the

dispute ex parte. Where the summons is served by any officer of the Registrar or his nominee, he shall make his report of service on oath.

(5) The Registrar or his nominee may not ordinarily grant more than two adjournments to each party to the dispute at his request. The Registrar or his nominee may, however, at his discretion grant such further

adjournments on payment of such costs to the other side and such fees to the Registrar or his nominee, as the case may be, may direct.

(6) Any party to a dispute may apply for and obtain a certified copy of any order, judgment or award made by the Registrar or his nominee on payment of copying fees, at the rate prescribed Appendix II.

(50) Summonses, notices and fixing of dates, places, etc., in connection with the disputes.— (1) The Registrar or, as the case may be, his nominee, may issue summonses or notices at least fifteen days before the date fixed for the hearing of the dispute requiring.

(i) the attendance of the parties to the dispute and of witnesses, if any; and

(ii) the production of all books and documents relating to the matter in dispute.

(2) Summonses or notices issued by the Registrar or his nominee may be served through a Tahsildar or any employee of the Chit Department or by registered post with acknowledgment due.

(3) The Officer serving a summons or notice shall, in all cases in which summons or notice has been served, endorse annex or cause to be endorsed on or annexed to, the original summons or notice, a return stating the time when, and the manner in which, the summons or, notice as the case may be was served, and the name and address of the person(if any) identifying the person served and witnessing the delivery or tender of the summons or the notice.

(4) The Official issuing the summons or notice my examine the serving officer on oath or cause him to be so examined by the Officer through whom it is served and may make such further inquiry in the matter as he thinks fit; and shall either declare that the summons or, notice as the case may be, has been duly served or order it to be served in such manner as he thinks fit.

(5) The mode of serving summonses and notices as laid down in Sub-rules (1) to (4) shall mutatis mutandis apply to the service of summonses or notices issued by the Registrar or the person authorized by him when acting under Section46.

51. Investigation of claims and objections against any attachment.—Where any claim or objection has been preferred against the attachment of any property under Section 68 on the ground that such property is not liable to such attachment, the Registrar, or as the case may be, his nominee shall investigate into the claim or objection and dispose it of on merits:

Provided that no such investigation shall be made when the Registrar or his nominee considers that the claim or objection is frivolous.

52. Procedure for the custody of property attached under Section 6.—(1) Where the property to be attached is movable property, other than agricultural produce in the possession of the debtor, the attachment shall be made by actual seizure and the attaching officer shall keep the property in his own custody or in the custody of one of his subordinates, or of a Receiver, if one is appointed under sub-rule (2) and, shall be responsible for the due custody thereof:

Provided that, when the property seized is subject to speedy and natural decay, or when the expenses of keeping it in custody is likely to exceed its value, the attaching officer may sell it at once.

(2) Where it appears to the officer ordering conditional attachment under Section 68 to be just and convenient, he may appoint a Receiver for the custody of the movable property attached under that Section and his duties and liabilities shall be identical with those of a Receiver appointed under Order XL in the First Schedule to the Code of Civil Procedure,1908.

(3) (i) Where the property to be attached is immovable, the attachment shall be made by an order prohibiting the debtor from transferring or charging the property in any way, and all persons from taking any benefit from such transfer or charge.

(ii) The order shall be proclaimed at some places on, or adjacent, to such property by beat of drums or other customary mode, and a copy of the order shall be fixed on a conspicuous part of the property and upon conspicuous part of the village chavadi and where the property is land paying revenue to the State Government also, in the office of the Collector of the district, the Revenue Divisional Officer and Tahsildar within whose jurisdiction the property is situated.

53. Procedure for attachment and sale of property for realization of any security given by person in course of execution proceedings.—The procedure laid down in Rules 51 and 52 shall mutatis mutandis apply for attachment and sale of property for the realization of any security given by a person in the course of execution proceedings.

54. Issue of proclamation prohibiting private transfer of property.—The Registrar when acting under clause(a) of Section 71 shall, at the time of signing a certificate affecting any property, issue a proclamation in Form

XVIII and in the case of immovable property shall also forward a copy of the proclamation to the Tahsildar or any other revenue officer within whose jurisdiction the property is situated, who shall cause an entry about such certificate to be made in the Record of Right.

55. Procedure for execution of awards.—(1) Every order or award passed by the Registrar, or his nominee under Section 68 or 69 shall be forwarded by the Registrar t the foreman or to the party concerned with instructions that the foreman or as the case may be, the party concerned should initiate execution proceedings forthwith according to the provisions of Section 71.

(2) If the amount due under the award is not forthwith recovered, or the order thereunder is not carried out, it shall be forwarded to the Registrar with an application for execution along with all information required by the Registrar, for the issue of certificate under Section 71. The applicant shall state whether he desires to execute the award through a Civil Court or through the revenue authorities as provided under Section 71.

(3) On receipt of such application for execution, the Registrar shall forward the same to the proper authority for execution along with a certificate issued by him under Section 71 and a proclamation issued under rule 54 in the manner prescribed therein.

56. Transfer of property which cannot be sold.—(1) When in execution of an order sought to be executed under Section 71, any property cannot be sold for want of buyers, of such property is in the possession of the defaulters or of some person on his behalf or of some person claiming it under a title created by the defaulter subsequent to the issue of the certificate by the Registrar under clause (a) or (b) of the said section the officer conducting the execution shall a soon as practicable report the fact to

the Courtor the Collector or the Registrar, as the case may be, and the judgment creditor applying for the execution of the said order.

(2) On receipt of a report under sub-rule (1), the judgment creditor may, within six months from the date of the receipt of the report or within such further period as may for sufficient reasons be allowed in any particular case by the Court or the Collector or the Registrar,

submit an application in writing to the Court, the Collector or the Registrar, as the case may be stating whether or not he agrees to take over such property.

(3) On receipt of an application under sub-rule (2) notices, shall be issued to the defaulter and to all persons known to be interested in the property, including those whose names appear in the Record of Rights as persons holding any interest in the property, about the intended transfer.

(4) On receipt of such a notice, the defaulter, or any person owning such property, or holding an interest therein by virtue of a title acquired before the date of the issue of a certificate under Section 71, may, within one month from the date of the receipt of such notice, deposit with Court or the Collector or the Registrar, for payment to the foreman a sum equal to the amount due under the order sought to be executed together with interest thereon and such additional sum for payment of costs and other incidental expenses as may be determined in this behalf by the Court or the Collector or the Registrar, as the case may be.

(5) On failure of the defaulter, or any person interested, or any person holding any interest in the property, to deposit the amount under sub-rule (4), the Court or the Collector or the Registrar, as the case may be, shall direct the property to be transferred to the judgment creditor on the conditions stated in the certificate in

form XIX.

(6) The certificate granted under sub-rule (5) shall state whether the property is transferred to the judgment creditor in full or partial satisfaction of the amount due to him from the defaulter.

(7) If the property is transferred to the judgment creditor in partial satisfaction of the amount due to him from the defaulter, the Court or the Collector or the Registrar, as the case may be, shall on the production by the judgment creditor of a certificate signed by the Registrar, recover the balance due in the manner laid down in Section 71.

(8) The transfer of the property under sub-rule (5) shall be effected as follows:-

(i) In the case of movable property--

(a) Where the property is in the possession of the defaulter himself or has been taken possession of on behalf of the Court or the Collector or the Registrar, it shall be delivered to the judgment creditor.

(b) Where the property is in the possession of some person on behalf of a defaulter, the delivery thereof shall be made by giving notice to the person in possession directing him to give actual peaceful possession to the judgment creditor and prohibiting him from delivering possession of the property to any other person.

(c) The property shall be delivered to a person authorized by the party to take possession on behalf of the judgment creditor.

(ii) In the case of immovable property--

(a) Where the property is growing or standing crop, it may be delivered to the judgment creditor before it is cut and gathered and the judgment creditor shall be entitled to enter on the land and to do all that is necessary for the purpose of tending and cutting and gathering it.

(b) Where the property is in the possession of the defaulter or of some person on his behalf or some person claiming under a title created by the defaulter subsequent to the issue of a certificate under Section 71, the Court or the Collector or the Registrar, as the case may be, shall order delivery to be made by putting the judgment creditor or any person whom he may appoint to receive delivery on his behalf in actual possession of the property and if need be by removing any person who illegally refuses to vacate the same.

(c) Where the property is in the possession of a tenant or other person entitled to hold the same by a title acquired before the date of issue of a certificate under Section 71, the Court or the Collector or the Registrar, as the case may be, shall order delivery to be made by affixing a copy of the certificate of transfer of the property and proclaiming to such person by beat of drum or other customary mode at some convenient place that the interest of the defaulter has been transferred to the judgment creditor.

(9) The judgment creditor shall be required to pay expenses incidental to sale including the cost of maintenance of livestock, if any, according to such scale as may be fixed by the Registrar from time to time.

(10) Where land is transferred to the judgment creditor under sub-clause (a) of clause (ii) of sub-rule (8) before the growing or standing crop is cut and gathered, the judgment creditor shall be liable to pay the current year's land revenue on the land.

(11) The judgment creditor shall forthwith report any transfer of property under sub-clause (b) or (c) of clause (ii) of sub-rule (8) to the Village Administrative Officer for information and entry in the Record of Rights.

(12) The judgment creditor to whom property is transferred under sub-rule (5) shall maintain for each such defaulter a separate accou the expenses

incurred including payment to outside encumbrances, land revenue and other dues on the property and all the income derived from it.

(13) The judgment creditor to whom property is transferred under sub-rule (5) shall use his best endeavour to sell the property as soon as practicable to the best advantage of the foreman as well as that of the defaulter, the first option being always given to the defaulter who originally owned the property. The sale shall be subject to confirmation by the Registrar. The proceeds of the sale shall be applied to defraying the expenses of the sale and other expenses incurred by the judgment creditor and referred to in sub-rules (9) and (12) and to the payment of the arrears due by the defaulter under the order in execution, and the surplus (if any), shall then be paid to the defaulter.

(14) Until the property is sold, the judgment creditor to whom the property is transferred under sub-rule (5) shall use his best endeavour to lease it or to make any other use that can be made of it so as to derive the largest possible income from the property.

(15) When the judgment creditor to whom property is transferred under sub-rule (5) has realized all his dues, under the order in execution of which the property, the property, if unsold shall be restored to the defaulter.

57.Payment of fees for decisions of disputes.-- (1) The Registrar or his nominee, as the case may be, on application in

form XVII and payment of fees prescribed in Appendix II may take a dispute and file.

(2) No document of any of the kinds specified below shall be filled before the Registrar or his nominee unless it is affixed with the proper court-fee stamp as specified against it.

Proper Court-fee

	Rs. p.
(i) Vakalatnama	2.00
(ii) Application for adjournment	10.00
(iii) Application for interim stay or relief	25.00

(3) (a) The Registrar or his nominee deciding any dispute may require the party or parties to the dispute to deposit such sum as may be in his opinion be necessary to meet the expense, including payment of fees to the Registrar or his nominee as the case may be.

(b) The Registrar or his nominee shall have power to order the fees and expenses of determining the dispute to be paid by the foreman out of his funds or by such party, or parties to the dispute, as he may think fit, according to the scale laid down by the Registrar, after taking into account the amount deposited as above.

(c) The Registrar may be general or special order specify the scale of fee and expenses to be paid to him or his nominee.

Chapter VII

Miscellaneous

58. [1][Appeal].--[2][(1) An appeal under Section 70 or sub-Sections (1) and (2) of Section 74 shall be made in writing and shall be either presented in person or sent by registered post to the appellate authority.

Explanation.--For the purpose of this rule and rule 59, appellate authority means--

(a) in respect of an appeal under Section 70, the State Government;

(b) in respect of an appeal under sub-sections (1) and (2) of Section 74, the State Government or such officer or authority as may be empowered by a notification in the Official Gazette by the State Government in that behalf.]

1. Substituted by G.O. Ms. No. 408, dated 17-11-1992.

2. Substituted by G.O. Ms. No. 408, dated 17-11-1992.

(2) The appeal shall be in the form of a memorandum accompanied by fee prescribed in Appendix II.

(3) Every appeal shall--

(a) specify the names and addresses of the appellant as well as the respondent;

(b) state by whom the order appealed against was made; (c) set forth concisely and under distinct heads the grounds of objections to the order appealed against with a memorandum of evidence; (d) state precisely the relief which the appellant claims;

(e) give the date of the order appealed against.

59. Hearing and disposal of the appeal.-- (1) On receipt of the appeal, the appellate authority shall as soon as possible examine it and ensure that,

(a) Whether relevant fee has been paid on the appeal memorandum;

(b) the person presenting the appeal has the locus standi to do so;

(c) it is made within the specified time-limit; and

(d) it conforms to all the provisions of the Act and these rules.

(2) In the proceedings before the appellate authority the appellant and the respondent may be represented by an agent hold or by a legal practitioner.

(3) The appellate authority, on the basis of the enquiry conducted and with reference to the records examined, pass such order on appeal as may deem just and reasonable.

(4) Every order of the appellate authority under sub-rule (3) shall be in writing and it shall be communicated to the parties concerned and the Registrar.

60. Period of retention of records by the Registrar.-- The records of a chit including registers and books of account, shall be preserved in the office of the Registrar for eight years--

(a) from the release of the security in the case of chits which are terminated ; and

(b) from the date when the affairs of the chit are completely wound up in cases dealt with in Chapter X of the Act and if orders passed under that Chapter are appealable, from the date of disposal of the appeal.

61. Register of records kept.-- Every Registrar shall keep a separate register in which shall be entered particulars of all records, relating to chits registered in his office.

` **62. Compounding of offences arising under the Act.--** (1) Any officer empowered by the State Government shall issue a show cause notice before taking any action under Section 76 or 77 of the Act against any person who has committed, or reasonably suspected to have committed any offence under the Act, or rules made there under asking him to show cause within a period of fifteen days, why action under the said Section 76 or as the case may be, under Section 77 of the Act should not be taken against him.

(2) Notwithstanding anything contained in the said provision--

(i) any officer empowered by the State Government to compound the offence committed under the Act or reasonably suspected to have committed any offence under the Act and Rules made there under may compound the said offence committed by any person, either before or after the institution of the criminal proceedings under the Act :

provided that the said proposal to compound the offence is accepted by any officer authorized by the State Government.

(ii) On an approval of the said proposal by the officer empowered to approve such a proposal referred to above, the officer empowered to compound the offence shall send an intimation in writing in that behalf to that person specifying therein--

(a) a sum determined by way of composition;

(b) the date on or before which the sum shall be paid.

1**[63. Rate of interest for defaulted instalment of subscription by a non-prized subscriber].--** The rate of interest payable by a defaulting subscriber in pursuance of the proviso to sub-section (1) of Section 28 of the Act shall not exceed twelve per cent per annum.

Case Law

Interest payable by a defaulting subscriber at 12% cannot be said to be unreasonable.

See : Soudambika finance Pvt. Ltd. vs. Union of India, AIR 1993 Mad, 190 at 213, para 30.

APPENDIX II

Levy of fees under section 62 and 63 of the Chit Funds Act, 1982 (Central Act 40 of 1982)

(See rule 42 of the T.N.Chit Funds Rules, 1984)

TABLE OF FEES

S.No	Description of Instrument	

1	For the application for previous sanction to Commence or conduct a chit under Sub-Section (2) of Section 4.	
	a) When the duration of the chit does not extend beyond a year	Rs.20/- per ticket or instalment whichever is higher subject to a minimum of Rs.500.00
	b) When the duration of the chit extends beyond a year.	
	i) When the chit amount does not exceed Rs.5,000/-	Rs.30/- per ticket or instalment whichever is higher subject to a minimum of Rs.500/-
	ii) When the chit amount exceeds Rs. 5,000/- but not exceed Rs. 10,000/-	Rs.50/-per ticket or instalment whichever is higher subject to a minimum of Rs.800/-
	iii) When the chit amount exceeds Rs.10,000/- but does not exceed Rs. 20,000/-	Rs.80/- per ticket or instalment whichever is higher subject to a minimum of Rs.1200/-
	iv) When the chit amount exceeds Rs.20,000/- but does not exceed Rs.30,000/-	Rs.120/- per ticket or instalment whichever is higher subject to a minimum of Rs.1600/-
	v) When the chit amount exceeds Rs.30,000/- but does not exceed Rs.40,000/-	Rs.160/- per ticket or instalment whichever is higher subject to a minimum of Rs.2000/-
	vi) When the chit amount exceeds Rs.40,000/- but does not exceed Rs.50,000/-	Rs.200/- per ticket or instalment whichever is higher subject to a minimum of Rs.2500
	vii) When the chit amount exceeds Rs.50,000/- but does not exceed Rs.1,00,000/-	Rs.250/- per ticket or instalment whichever is higher subject to a minimum of Rs.3000/-

	viii) When the Chit amount exceeds Rs.1,00,000/- but does not exceed Rs.2,00,000/-	Rs.300/- per ticket or instalment whichever is higher subject to minimum of Rs.3500/-
	ix) When the Chit amount exceeds Rs.2,00,000/-	Rs.350/- per ticket or instalment whichever is higher subject to minimum of Rs.4000/-
2	a) For filing the chit agreement with the Registrar and the Registration of chit under Section 7	Rs.100/-
	b) For every application for Registration of alteration, addition to or cancellation of a chit agreement under section 15 andRule14.	Rs.400/-
3	For filing the declaration with the Registrar and the grant of a certificate of commencement under Sub-Section(1) of Section 9	Rs.60/-
4	For filling the certificate under Sub-Section (2) of section10	Rs.50/-
5	For filing a copy of minutes of the proceedings under section 18.	Rs.50/-
6	For the audit of balance sheet under section 24 by the Chit Auditor:-	
	(a) When the aggregate chit amount of chits covered by the balance sheet does not exceed Rs.10,000/-	Rs.500/-
	(b) When such amount exceeds Rs.10,000/- for every Rs.1000/- or part thereof in excess of Rs.10,000/-	Rs.100/-
7	For filing the audited balance sheet under section-24	

	(a) When the aggregate chit amount of chits covered by the balance sheet does not exceed Rs.5,000/-	Rs.200/-
	(b) When such amount exceeds Rs.5,000/- but does not exceeds Rs.10,000/-	Rs.500/-
	(c) When such amount exceeds Rs.10,000/- but does not exceeds Rs. 20,000/-	Rs.800/-
	(d) When such amount exceeds Rs.20,000/- but does not exceed Rs.30,000/-	Rs.1000/-
	(e) When such amount exceeds Rs.30,000/- but does not exceed Rs.40,000/-	Rs.1200/-
	(f) When such amount exceeds Rs.40,000/-	Rs.1500/-
8	For the audit of accounts under sub-section-(4) of the section 61 by the Chit Auditor:-	
	(a) When the chit amount does not exceed Rs.5,000/-	Rs.200/-
	(b) When the chit amount exceeds Rs.5,000/- but does not exceeds Rs.10,000/-	Rs.400/-
	(c) When the chit amount exceeds Rs.10,000/- but does not exceeds Rs.20,000/-	Rs.800/-
	(d) When the chit amount exceeds Rs.20,000/- but does not exceeds Rs.30,000/-	Rs.1200/-
	(e) When the chit amount exceeds Rs.30,000/- but does not exceeds Rs.40,000/-	Rs.1600/-

	(f) When the chit amount exceeds Rs.40,000/- but does not exceeds Rs.50,000/-	Rs.2000/-
9	If the balance sheet or accounts are audited under section 24 of	Rs. 100 plus any amount equal to the
	sub-section (4) of section 61 at the premises of the foreman or outside the office of the Registrar for each such audit, in addition to fee payable under Articles 6 and 8	Travelling Allowance and Daily Allowance admissible to the Chit Auditor under the Tamil Nadu Travelling Allowance Rules
10	a) For application for extension of time for filing the declaration under sub-section (3) of Section7	Rs.500/-
	b) For the application for approval to appropriate sums from reserve fund under sub section (4) of section 8	Rs.1000/-
	c) For the application to offer as security the immovable property under sub rule (5) of Rule 18.	
	i) Situated outside the jurisdiction of the Registrar but within the state	Rs.400/-
	ii) Situated outside the State.	Rs.1000/-
	(iii) For inspecting the immovable property offered as security under section 20 to fix value of the property by the Deputy Registrar of Chits	Rs.1000/-
	d) For the application for permission to substitute the	Rs.1000/-

	security during the currency of the chit under sub-section 3 of section 20.	
	e) For the application from the foreman to conduct any draw in the presence of the Registrar or the person deputed by him under Sub-Section(3) of Section16	Rs.400/-
	f) For the application for the prior approval of the Registrar to open a new place of business under Sub-section(1) of Section 19	Rs.1000/-
	g) For the application for extension of time to file copies of documents under Section75	Rs.600/-
	h) For the application to award compensation against frivolous of vexatious petition for winding up of chit under the sub-section (1) of Section 58	Rs.250/-
	i) For the application for injunction order under Section52	Rs.200/-
	j) For the application for leave to continue legal proceedings against Foreman under Section 55	Rs.200/-
	k) Application for attachment of property under sub-section (1) of Section 68	Rs.2000/-
11	A fee of Rs.100/- shall be levied in each case filling with the Registrar.	
	a) A copy of each entry relating to the removal of defaulting subscriber under sub-section(3) of Section 28	

	b) A copy of each entry relating to the substitution of subscriber under sub Section(2) of Section29	
	c) A copy of entry relating to transfer of the rights of Foremen under Section 37	
	d) A copy of entry relating to transfer of non prized subscriber's right under Section 37	
	e) A copy of assent of all non-prized and unpaid prized subscribers for withdrawal of a foreman of chit under section 41.	
	f) A copy of consent of all non-prized and unpaid prized subscribers to the termination of Chit under Section 41.	
12	Fee for petition for decision of dispute	Fifty Rupees for every thousand or part thereof of the amount of claim in dispute.
13	Fee for application for winding up of chit:-	
	(a) when the chit amount does not exceed Rs.5,000/-	Rs.400/-
	(b) When the chit amount exceeds Rs.5,000/-	Rs.800/-
14	Fee for adjournment of any proceeding under the Act.	Rs.500/-

15	Fee for application for interim stay or relief other than appeals to the Government or any other authority under the act.	Rs.500/-
16	Fee for appeal to the State Government or any other authority :-	
	(a) when it relates to a chit with a chit amount not exceeding Rs.5,000/-	Rs.500/-
	(b) when such chit amount exceeds Rs.5,000/- but does not exceed Rs.10,000/-	Rs.800/-
	(c) when such chit amount exceeds Rs.10,000/- but does not exceed Rs.1,00,000/-	Rs.1200/-
	(d) when such chit amount exceeds Rs.1,00,000/-	Rs.2000/-
17	For inspection of one or more records relating to a chit under Section 62 for each inspection	Rs.100/-
18	For every 100 words or fraction thereof of a copy or extract of the records relating to a chit furnished under Section 64	Rs.20/-
19	For every 100 words or fraction thereof of a certified copy of any order or judgment or award made by the Registrar or his nominee under Section 69.	Rs.20/-

APPENDIX –

FORM I

(See Section 4(2) and Rule 3)

FORM OF APPLICATION TO BE USED BY A FOREMAN FOR OBTAINING PREVIOUS SANCTION TO COMMENCE OR CONDUCT A CHIT

From Place:

Date:

To

The Secretary to the Govt.
of
(The Authorised officer by designation)

Sir,

I Son / Wife / Daughter

(here state profession or occupation) residing at I /

We, the Chairman and Secretary respectively* on behalf of (name of the firm,

Company, Corporation, Coop-Society etc.) situated at having its registered

office at

desire to commence and conduct a chit as

foreman at (here specify the place with postal address in detail). Full

particulars in this regard are given in the Annexure hereto.

2. A certified true copy of the resolution passed by the Managing Committee / Board of Directors at its meeting held on the

for commencing and conducting the chit in question

is enclosed.

3. I / We remit herewith a sum of Rs (Rupees in words)

only) being the fees prescribed for the purpose.

4. I / We hereby certify that the aggregate chit amount of the chits run by me / us is Rs_(Rupees only) on the date of this application and does not exceed the aggregate chit amount prescribed by Section 13 of the Chit Funds Act, 1982 (Central Act No. 40 of 1982).

5. I / We request you to accord your sanction for commencing and conducting the Chit. On receipt of such sanction further steps for registration etc., of the chit will be taken.

6. We further undertake in register the chit within 12 months from the date of sanction by the State Government as per Section 4(1).

We have read the provisions of the Chit Fund Act, 1982 (Central Chit Fund Act No. 40 of 1982) and the Rules framed thereunder and agree to abide by the same in the conduct of the chit business.

Yours faithfully,
Chairman :

Secretary : Encl: Sheets

for or on behalf of

Strike out or delete whatever is not applicable.

* Insert the designation as may be appropriate to the applicant. @ Here enter the name of the applicant institution, if any.

ANNEXURE

STATEMENT OF PARTICULARS

1. Name and address of the company association of individuals / coop. Society, partnership / sole proprietorship (address of the registered as well as the Head Office / administrative office, if any, should be given).
2. Constitution i.e., whether incorporated as company / co-op. Society or registered / un- registered association of individuals / partnership / sole proprietorship (also specify the provision of the Act under which incorporated / registered along with the date of incorporation / registration.
3. Name and addresses of the branches / Offices if any.
4. Main objects of the institution (enclose a copy of the memorandum and Articles of Association or as the case may be of the Byelaws or rules regulating the activities of the institution).
5. Names, occupations and residential address of the directors or as the case may be, of the promoters / members of the committee of management / partners etc.
6. Name and residential address of the Chief Executive Officer and two other officers immediately next to him, in the managerial setup.
7. Names of the Bankers and their addresses.
8. Names of the auditors and their addresses.

9. Particulars of the chit(s) to be started (such as the chit amounts, duration of the chit, frequency of the draws, manner of draws, etc, also attach a copy of the draft of the chit agreement to be entered into with the subscribers).

10. Places where the chit scheme(s) are proposed to be conducted.

11. Names and addresses of the associates companies / cooperative societies / associations of individuals / partnerships / sole proprietorships.

12. Names,occupations and residential addresses of the directors or as the case may be of the promoters / members of the committee of management etc of the institutions referred to in item 11

I / We* solemnly declare that the facts stated herein as also in the enclosures are true in the best of my / our knowledge, information and belief.

Dated this day of 200 at .

Name (s) Signature (s)

Designation (s)

For and behalf of

* Here enter the name of the applicant institution, if any, strike out whatever is not applicable.

Note : (1) If the space against any items is inadequate for furnishing full particulars, the required information should be given in separate sheets indicating the cross reference against the relative item of this statement.

(2) A copy each of the latest available audited balance sheet and profit and loss account if any, should be attached.

FORM – IA

FORM OF REPLY TO THE FOREMAN FOR THE COMPLIANCE OF HIS REQUEST FILED IN FORM – I

FROM

OFFICE OF THE REGISTRAR OF CHITS,

TO

The Foreman

I hereby acknowledge the receipt of form of application filed by you (Foreman) for obtaining previous sanction to commence or conduct a Chit. Your request can be complied with and the order of prior sanction will be issued to you on . His request cannot be complied with for the reasons which are contravening provision of Appeal under section lies with within 30 days from the date of receipt of this order.

(Seal) Signature of the Registrar of Chits with date.

FORM – IB

(See Section 4)

After careful examination of the Form-I, dated and also the connected records submitted by M/s. , the undersigned in exercise of the powers conferred on him / her under Section 4 of the Chit Funds Act, 1982 read with Notification No. hereby issues the "**PREVIOUS SANCTION"** for the Chit, the details of which are given below:

Name of the Foreman :

Chit Amount :

Installment Amount (without dividend and any other deductions allowed) :

No. of Installments :

No. of Tickets :

The previous sanction issued in this order shall lapse if the chit is not registered within 12 months from this day

Place :

Date : Registrar of Chits

FORM – II

(See Section 7 and Rule 5)

APPLICATION FOR REGISTRATION OF THE CHIT AGREEMENT

To

The Registrar of Chits,

.

Dear Sir,

(a) I S/o Sri. being the foreman conducting chit under the name and style of * .

(b) We the Chairman and Secretary respectively of the foreman conducting chit business under the name and style of * at hereby apply for registration of the Chit Agreement.

(2) The Chit Agreement in duplicate is attached herewith together with a sum of Rs. being the registration fees as required under the Act of Chit Funds Rules, 2008.

(3) The number of current chits which are running as on the date of this application is and the aggregate chit amount of these chits involved therein is Rs. which is within the limits specified in Section 13 of the Chit Funds Act, 1982 (Central Act No. 40 of 1982).

Form IB under Section 4

of the above Act for commencement and conduct of the chit in question is enclosed. A copy of the application dated the together with its enclosures made to the State Government / authorized officer in this behalf is also enclosed for information and ready reference.

(5) I / We remit herewith a sum of Rs. (Rupees only) being the fee prescribed for the purpose.

DECLARATION

(6) I / We have read the Chit Funds Act, 1982 (Central Act No. 40 of 1982) and the Rules made by the State Government thereunder and I / We declare that the chit agreement has been drawn up in confirmity with the provisions of the said Act and the Rules.

The above statements are true and complete to the best of my / our knowledge, information and belief.

Yours faithfully,
Chairman
Secretary
Name(s)
Designation (s)

* for and on behalf of Foreman

Note 1. * Here enter the name of the applicant institution if any.

2. Strike out or delete whatever is not applicable insert the designation(s) as may be appropriate to the applicant.

FORM – III

(See Section 7(2) and Rule 6))

ENDORSEMENT OF REGISTRATION

I hereby certify that the chit agreement relating to the chit proposed to be conducted by (the name and address of the foreman should be filled in here) as a foreman has this ____ day of 2008 been registered by me under sub-section(2) of Section 7 of the Chit Funds Act, 1982 (Central Act No. 40 of 1982) as Chit No. of 2008 at .

Given under my hand and seal this day of 2008 at .

Date : Signature of Registrar

(SEAL)

FORM IV

(See Section 8(4) and Rule 9)

Place :
Date :

The Registrar of Chits,

Dear Sir,

In terms of sub-section(4) of Section 8 of the Chit Funds Act, 1982 (Central Act No. 40 of 1982) we hereby seek approval for appropriating sum of Rs.
(Rupees in words) company. This withdrawal has been necessitated by the following circumstances:

(Here state the circumstances under which withdrawal from the reserve fund has become necessary).

2. We enclose for your information a copy each of the profit and loss account and the balance sheet for the last two accounting years as also a proforma of the balance sheet and profit and loss account for the current year ended___ 200__ . A true copy of the resolution passed by the managing Committee / Board of Directors on the for appropriation of the said sum from the reserve fund is also enclosed. We shall be glad to furnish such further information as may be required by you.

3. We remit herewith a sum of Rs (Rupees only) being the fees prescribed for the purpose.

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4. We shall be glad if you will kindly grant us permission to withdraw a sum of from the reserve fund.

Yours faithfully,

Chairman

Secretary

* (for and on behalf of Company)---------

----------* enter the name of the applicant / company.

FORM IV – A

(See Section 8(4) Rule 9)

FORM OF REPLY TO THE FOREMAN FOR COMPLIANCE OF HIS REQUEST FILED IN FORM IV

FROM

OFFICE OF THE REGISTRAR OF CHITS

To

The Foreman,

I, hereby acknowledge the receipt of Form of application filed by you (Foreman) for grant of permission to withdraw a sum of Rs. (Rupees in words) from the reserve fund.

A sum of Rs. (Rupees in words) is in credit in your reserve fund account. Your request can be complied with for the circumstances stated in your application under which withdrawal from the reserve fund has become necessary and permission will be accorded in From IV on .

Your request cannot be complied with for the reasons for (Reasons for refusal should be mentioned). An appeal U/s lies with within 30 days from the date of receipt of this order.

(Seal) Signature of the Registrar of Chits with date.

FORM - V

(See Section 9(1) and Rule 10)

Place:
Date: To

The Registrar of Chits,

Dear Sir,

By your letter dated the you were pleased to grant me / us certificate of registration to commence a new chit of a chit amount of Rs and of a duration months.

2. I / We have subsequently enlisted the required number of members and we hereby declare in terms of sub-section(1) of Section 9 of the Chit Funds Act, 1982 (Central Act No. 40 of 1982) that all the tickets specified in the chit agreement have been fully subscribed.

3. I / We remit herewith a sum of Rs (Rupees in words only) being the fees prescribed for the purpose of filing this declaration.

Yours faithfully,
Chairman
Secretary
for and on behalf of (Foreman)

Strike out or delete whatever is not applicable insert such designation(s) as may be appropriate to the applicant.

FORM – VI

(See Section 9(2) and Rule 11)

CERTIFICATE OF COMMENCEMENT OF CHIT

Place :

Date :

Office of the Registrar of Chits.

I hereby certify that * is entitled to commence and conduct the chit @ the chit agreement in respect of which was registered in my office as Chit No of 200 .

Given under my hand and seal, this day of 200 at .

Signature of Registrar

(Seal)

---

* Here enter the name of the foreman.

@ Here mention the chit amount and duration etc, of the chit(s).

FORM – VII

(See Section 10(2) and Rule 12)

To

The Registrar of Chits,

Dear Sir,

The Chit Funds Act, 1982 (Central Act No.40 of 1982)

I / We the Foreman of the chit / chairman and secretary on behalf of the Foreman / Firm / Company conducting the chit, the chit agreement bearing registration number of 200_ has been registered in the office of the Registrar of Chits do hereby certify that I / We have furnished to every subscriber of the chit a copy of the said chit agreement duly certified by me / us to be a true copy. The copies were furnished to each of the subscribers on .

The date of obtaining the certificate of commencement of the said chit granted under sub-section(2) of Section 9 is .

The first draw of the said chit was held on .

Yours faithfully,

Chairman

Secretary

Place:

Date: for and on behalf of……..

(Foreman)

Strike out / delete whatever is not applicable. appropriate to the applicant.
Insert the designation(s) as may be

FORM VIII

(See Section 6 and Rule 13)

Form of Chit Agreement

(Articles of Agreement between the Foreman and the Subscribers)

1. Office where the chit is registered.

2. Year and Registered No. Year No

3. Full name and address of foreman

4. Occupation (if applicable)

5. Age (if applicable)

I. Chit amount and No of tickets.

1. No of tickets or fraction thereof Full

Held by each subscriber 3/4

1/2

1/4

1/8

2. No. of installments and amount payable No. Amount

for each ticket at every installment Rs.

3. Chit amount Rs.

II. Duration of the chit

1. Date of 1st installment.

2. Dates of subsequent installments.

3. Date of termination.

4. Duration of the chit. Years months

III. The place, time and probable date when the chit is to be commenced.

1. Place (give full particulars)

2. Probable date

3. Time of commencement of the proceedings.

IV. Particulars of security given or deposited by foreman.

1. Under Section 20 of the Act, the following security sufficient to the satisfaction of the Registrar of Chits, the particulars of which are described below, has been given for the proper conduct of the chit:-

(Here enter description of security such as cash, Government security (immovable property) etc., (in case immovable property has been charged, its particulars such as its description / location / market value etc., should be given).

2. No. and date of the certificate of Registrar of Chits regarding, the sufficiency of security, if obtained.

3. The foreman shall not get release of the security in full until all the liabilities under the chit are discharged.

V. Mode of conducting the chit.

The foreman shall exhibit a list of non-prized subscribers before every auction.

1. The subscriber who is to get the prize at any installment shall be determined by lost or by auction at the time and place

(Here specify the smallest fraction of a ticket the prize for which will be determined by lot or by auction, and the time allowed for each purpose).

2. Where the prize is to be determined by auction, a ticket or fraction thereof shall be auctioned for a sum not less that the chit amount minus foreman's commission, and the subscriber who bids for the highest discount not exceeding 40% of the total amount of the chit shall be entitled to have it confirmed in his name.

Note: Where a fraction of a ticket is auctioned, the subscriber who bids it for the highest discount is entitled to have confirmed in his name at the same rate as many such fractions as he wished to bid.

3. In case where the subscribers are not be prepared to bid any ticket or fraction thereof or where the discount is not sufficient to meet the foreman's commission, the subscriber who is entitled to the prize amount shall be determined by lot. The subscriber so determined shall be deemed to be the prized subscriber who shall be entitled to the chit amount for his ticket less foreman's commission for that ticket.

4. A defaulter-subscriber shall not be entitled to take part in the proceedings.

5. If for any reason the subscriber is unable to take part in the proceedings, he may in writing authorize an agent in that behalf. Such agent shall have all the rights and privileges of a subscriber of such proceedings.

VI. Mode of payment of each installment:

1. Every subscriber shall on the date of each installment pay in the foreman the amount due for his ticket for each such instalment and get a receipt in that behalf from the foreman.

2. In the case of the prized subscriber, if the amount due from him for a particular instalment is not paid on the date of that instalment, it shall be paid within (here mention weeks or months) with interest at (here specify the rate) failing which it shall be competent for the foreman to realize from the defaulter in a lump sum all the future subscriptions due from him together with the interest due thereon and other incidental expenses.

3. In the case of a non-prized subscriber, if the amount due from him for a particular instalment is not paid on the date of that instalment, it shall be paid within (here mentioned week or months) with interest at (here specify the rate) failing which it shall be open to the foreman to remove him from the list of subscribers and have another person substituted for such defaulter subscriber. The foreman shall duly inform the defaulter subscriber of the action taken against him.

Note: Under clauses (2) and (3), the period within which the amount shall be paid and the rate at which interest due thereon shall be paid may be such as shall not be inconsistent with the provisions of the Act or any law for the time being in force.

4. A non-prized defaulting subscriber shall be entitled to the amount paid by him and the discount due to him on his executing an acknowledgement in writing at the time the substituted subscriber draws the prize amount of the defaulter- subscriber fails to obtain the amount due to him, the foreman shall deposit the same in the approved bank. If the foreman fails to pay such subscriber, the amount so due to him on the due date, it shall be competent for such subscriber to realize such amount with interest permissible under the law for the time being in force.

VII. Procedure for receiving the prize amount by a prized subscriber.

1. A prized subscriber or his nominee shall receive from the foreman the prize amount within (here specify the period) after furnishing to the satisfaction of the foreman sufficient security, for the payment of future

2. In case the prized subscriber or his nominee fails to receive the prize amount after furnishing sufficient security the foreman shall deposit the amount in the approved bank and inform the prized subscriber of that fact.

3. In case the amount so deposited is not sufficient for the payment of future subscriptions, it shall be competent to the foreman to realize from such prized subscriber such amount as may be deficient together with the interest due thereon and all other incidental charges.

4. In case there remains any portion of the amount deposited after paying the future subscriptions and other charges such portion shall be payable by the foreman to the prized subscriber after the termination of the chit, failing which it shall be competent for the prized subscriber or his nominee to realize from the foreman such portion as remains together with the interest due thereon from the date of termination of the chit.

5. If at any time after the prize amount is deposited in an approved bank, the prized subscriber of his nominee furnishes sufficient security, the foreman shall withdraw the amount so deposited and pay it to the prized subscriber or his nominee after deducting there from the amount due from him for the payment of the instalment prior to the date on which the security is furnished.

6. If the foreman fails to pay the prize amount to the prized subscriber or his nominee furnishing sufficient security, it shall be competent for such subscriber or his nominee to realize from the foreman the prize amount together with interest due thereon from the date of furnishing such security.

VIII. Disbursement of Discount

The discount for every ticket auctioned shall be distributed equally between the prized and non-prized subscribers after deducting there from the foremen's commission.

IX. Foreman's Commission and the installment at which the foreman is to get the prize.

1. (Here specify the date and number of instalment at which the foreman is to get the prize) First and the last instalment not being subject to auction, the subscribers shall be liable to pay the full amount of their tickets.

2. Here specify the rate per cent of foreman's commission and the total amount of commission chargeable on the chit amount.

Note: Any other amount agreed to by the subscribers for any other purpose may also be specified here.

X. Transfer how to be effected

1. It shall not be competent to any subscriber to transfer his rights in a chit except with the consent in writing of the foreman provided that no such consent shall be necessary in the case of transfer by a subscriber whose name has been removed by the foreman from the list of subscribers for default of payment of subscriptions. The transferee (whether he is already a subscriber or not) shall be entitled to no

more rights than the transferer had in the chit in respect of the ticket or fraction thereof transferred.

2. No transfer of the rights of a foreman to receive subscriptions from the prized subscribers shall be made without the previous sanction in writing of the Registrar of Chits. Any such transfer shall, if it defects or delays a non-prized subscriber, be avoidable at the instance of such subscriber.

XI. Balance sheet and subscribers right to examine Chit Records:

1. On termination of a chit, the foreman shall prepare the balance sheet containing a summary of the assets and liabilities of the chit and giving such particulars as will disclose the nature of the assets and liabilities an how the value of the assets has been arrived at. Such balance sheet shall be made available for auditing by the auditors specified in Rule 29 and a certificate or such auditing shall be received by the foreman and kept by him.

2. The foreman shall make available for examination by the subscribers all the chit records between (here specify the time) on all the dates of the draw.

XII. Banks where chit money may be deposited (Here specify the approved bank(s) the foreman proposes to deposit chit money).

XIII. Miscellaneous:

1. The subscriber who gets his prize at the last instalment shall be entitled to the chit amount less the foreman's commission. The foreman shall pay up such amount within (here specify the period) from the normal date of last draw or last installment failing which the prized subscriber shall be competent to realize the amount from the foreman together with the interest due thereon the date aforesaid.

2. Any amount due to the foeman from any subscriber on account of the chit shall be a first charge on the subscriptions paid by such subscriber. Similarly, the security and all chit money deposited by the foreman shall be liable for discharging any amount due from the foreman to the subscribers.

3. Receipts shall be granted for all payments by the foreman to the subscribers or by the subscribers to the foreman duly affixing the Revenue Stamp required as per Article 51 of schedule 1 of the Indian Stamp Act, 1899.

4. The chit amount shall in no case be enhanced, but if necessary, it may be reduced.

5. If all the non-prized and un-paid prized subscribers give consent in writing for making any alteration in the chit agreement not in consistent with the provisions of the Act and the Rules made there under the foreman shall convene the meeting for that purpose.

6. If for any default of the foreman the conduct of the chit is not continued, the foremen shall pay to the non-prized subscribers their contributions including dividend within (here specify the period) failing which it shall be competent for such subscribers to realize the amount together with the interest due thereon from the foreman or from all or any of the following assets.

a) the security given or deposited by the foreman;
b) other properties belonging to the foreman;
c) the future subscriptions due to the foreman from the prized subscribers.

7. In case the foreman holds tickets as an ordinary subscriber in addition to the ticket of which he is entitled to the prize without deduction of the discount, he shall not have any more rights, or privileges than the other subscribers have in the chit. When the foreman bids such tickets he shall furnish sufficient security for the payment of future subscriptions as required by the Act and the Rules made thereunder.

8. If before the termination of the chit, the foreman dies or otherwise becomes unable to conduct the chit,

a. here specify the arrangements made for the conduct of the chit. b. In such a case one or more of the non-prized subscribers authorized by a special resolution may, in the absence of any provision in this Chit Agreement for the future conduct of the chit, take the place of the foreman and have the right to continue the chit on to make suitable arrangements for the future conduct of the chit.

9. Here specify any other provisions that may be agreed to such as payment of interest or penalty, if any payable or any default in the payment of stipulated installments etc.,

10. The subscribers who have affixed there signatures hereunder agreed to the above Articles.

Sl. No.	Name and full address of subscriber	No. of tickets taken	Subscribers signature and date	Name, Signature and address of witness
1	2	3	4	5

11. The total number of subscribers should be limited to the total number of drawn / auctions that have been agreed to and each subscriber shall be entitled to the number of chits held by him, in each chit.

FORM IX

(See Section 16 and Rule 16)

Notice to subscribers of Chit Number of 200

Sir,

This is to inform you that the draw in monthly / quarterly / half yearly / yearly chit No 200_in which you are one of the subscribers will be held on _____ day (month) 200 at / P.M at (address) be present at the draw in person or by your duly authorized agent.

Yours faithfully,

Secretary

for and on behalf of (foreman)

Strike out or delete whatever is not applicable. Insert such designation(s) as may be appropriate.

FORM –X

APPLICATION FOR PERMISSION TO FURNISH SECURITY FOR CONDUCTING THE CHIT

To
The Registrar of Chits,

Dear Sir,

I / We propose to give the undernoted security in respect of the chit proposed to be started by me / us, the certificate for commencement of which was granted by you on (vide No dated) other particulars are also given below.

1. Name & Address of the Applicant
2. Age and occupation
3. Chit amount
4. Details of cash / Government Security / any other movable security / offered as security
5. Details of immovable properties, offered as security :

1.
District
Sub-district
Taluk
Village
Sy.No.
Area etc.

2.
District
Sub-district
Taluk
Village
Sy.No.
Area etc.

6. Rights of the applicant over the property :
7. Market value of the property:
8. Details of prior encumbrances if any, on the property:
9. Movable (and immovable) properties belonging solely to the applicant (to be shown separately)
10. Whether the applicant has any debt and if so, the amount of such debt. 11. Whether the applicant has conducted any chit before and if so, whether there is any subsisting liability under the same.

I am / we are appending herewith:
(1) title deeds in support of title to the property offered as security; and (2) the encumbrance certificate of the property for the past 30 years.

The information and particulars furnished herein are true and correct to the best of my / our knowledge information and belief.

Yours faithfully,
Chairman :
Secretary :

Place :
Signatures(s): Date :
for and on behalf of

Note : 1Applicable only when the security offered is immovable property.

2 Insert the designation as may be appropriate to the applicant, Strike out / delete whatever is not applicable.

DETAILS OF DECISION

(Seal) Signature of Registrar of Chits

FORM –XI

(See Rule 16(3))

CERTIFICATE OF SUFFICIENCY OF SECURITY

Office of the
Registrar of Chits,

Place :
Date :

In the case of

1. Cash / Government security

I hereby certify that I have satisfied myself that the amount / Government security mentioned herein and deposited in the approved bank / transferred in my name (should it be in Registrar's name or on behalf of Government of Andhra Pradesh) is adequate and that the same is accepted U/s 20 of the Chit Funds Act, 1982 (Central Act 40 of 1982).

(Seal)

Signature of the
Registrar of Chits.

FORM XII

(See Section 20(3) and Rule 20)

APPLICATION FOR SUBSTITUTION OF THE SECURITY

Place :

The Registrar of Chits, Date :

Dear Sir,

I / We propose to give the undernoted security in substitution of the original security for proper conduct of the chit for the commencement of which a certificate had been granted by you (vide No_____ Dt.) certain other particulars are also given below.

1. Name of foreman.
2. Age & occupation if the foreman is not a firm or a company.
3. The office in which the chit agreement of the chit has been registered and the number and year of registration.
4. Chit amount.
5. Details of the original security given.
6. Whether the applicant has any debt and if so, the amount of any such debt and to whom they are due.
7. Details of Government security / other securities offered as substituted security.

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I / We hereby declare that the information and particulars furnished herein are true and correct to the best of my / our knowledge, information and belief.

Yours faithfully
Chairman
Secretary for

and on behalf of----------

Strike out / delete whatever is not applicable. appropriate to the applicant.

Decision of the Registrar

Insert the designation(s) as may be

(Seal) Signature of the Registrar.

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FORM XIII

(See Section 23 and Rule 25)

FORM OF REGISTER OF SUBSCRIBERS TO BE MAINTAINED

Office where the chit agreement of the chit is registered .

The Registration number and year of registration of Chit Agreement of the chit .

S. No. according to	Name and full address of the	Date of signing the	Date of receipt of	Chit Subscriber

chit agreement	subscriber	chit agreement	the copy of the chit agreement by	No. of tickets	Amount
1	2	3	4	5	6

ASSIGNMENT

Name and address of the assigned	Date of assignment	No. and fraction of tickets	Amount (Rs.)	Date on which the Foreman recognized the assignment
7	8	9	10	11

SUBSTITUTION

Reason for the removal of subscriber	Date of removal	Name & address of the substituted subscriber	Date of substitution	Number & fraction of tickets	Amount	Date of intimation of the substitution to the removed	REMARK
12	13	14	15	16	17	18	19

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FORM XIV

(See Section 23 and Rule 25)

FORM OF THE LEDGER TO BE MAINTAINED

Office where the Chit agreement of the chit is registered

Registration number of the chit agreement

Section I – Receipt and Payments in respect of subscriber

Number of Subscriber

Name of Subscriber

Number of Tickets taken

Chit Amount Rs

Date	Number of instalment	On what account received or paid by the	Amount of subscription for each instalment	Dividend due to the subscriber for each
1	2	3	4 (Rs.)	5 (Rs.)

Amount paid by the subscriber		Amount received back by subscriber	General number in the Day Book	Signature of the		REMARK
Share Amount	Interest			Subscriber	Foreman	
6 (Rs.)	7 (Rs.)	8 (Rs.)	9	10	11	12

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Section – II – Deposit and Withdrawal Account of the foreman

Name of the Bank in which money is deposited

Date	For what purpose deposited or withdrawn	Amount deposited	Interest accruing	Balance after each transaction	Amount withdrawn
1	2	3 (Rs.)	4 (Rs.)	5 (Rs.)	6 (Rs.)

Balance	Number in the Day Book	Signature of the Foreman	Remarks
7	8	9	10

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FORM XV

(See Section 23 and Rule 25)

FORM OF THE DAY BOOK TO BE MAINTAINED

Office where the Chit agreement of the chit is registered

Registration number of the chit agreement

DAY BOOK

Date	General Number	On what account received or paid
1	2	3

Receipts				
Subscription	Interest	Withdrawal from Bank	Other Items	Total Receipts
4	5 Rs.	6 Rs.	7 Rs.	8 Rs.

Reference to receipt in the receipt book	Expenditure				
	Amount paid to subscriber	Foreman's Commission	Deposit in the bank	Other items	Total Expenditure
9	10 Rs.	11 Rs.	12 Rs.	13 Rs.	14 Rs.

Balance	Reference to the page number of the voucher in the files of vouchers	Signature of Foreman	Remarks
15 Rs.	16	17	18

Note:

1. The balance should be struck in column (15) at the close of each day. The monthly total of receipts and expenditure shall be struck at the end of each month.
2. In column (2) each transaction shall be assigned a serial number. There shall be one separate set of serial numbers for each calendar year.
3. If any amount is received from or paid to more than one subscriber at a time the amount paid to or received from each subscriber should be entered as a separate item.
4. If more than one amount is received from or paid to the subscriber at a time each amount paid to or received from the subscriber should be entered as separate item.

FORM – XVI

(See Section 23 and Rule 25)

Original

Duplicate Receipts Serial Number

Received from to the credit of the amounts detailed below in respect of the Chit Agreement registered under number of 200_.

	Rs.	Ps.
Payment for current installment		
Arrears of subscription (with details)		
Penalty for overdue subscription		
Fees for inspection of records		
Other receipts (to be specified).		
Total		

(in words Rupees only)

Date

Affix revenue Label here

for and on behalf of foreman

……

Note: Strike out / delete whatever is not applicable. Insert the designation(s) as may be appropriate to the applicant.

FORM – XVII

(See Section 64 and Rule 45)

APPLICATION FOR REFERENCE OF A DISPUTE TO ARBITRATION BEFORE THE REGISTRAR / ADDITIONAL / JOINT / DEPUTY ASSISTANT REGISTRAR.

1. Name : Age :
   Occupation : Address :
2. Name : Age :

Disputants

   Occupation : Address :
3. Name : Age :
   Occupation : Address :

Versus

1. Name : Age :
   Occupation : Address :
2. Name : Age :

Opponents

   Occupation : Address :
3. Name : Age :
   Occupation : Address :

(Here give full particulars of the claim or the facts of the case constituting the cause of action when it arose etc.,)

The disputant / disputants prays / pray as under:-

In support of the above claim or relief sought I / We enclose documents and papers as per the list annexed hereto.

Date : Signed

Disputant / Disputants.

I / We Disputant / disputants declare that the facts stated above are true to the best of my / our knowledge and belief.

Date : Signed (1) :

(2) : Disputants

(3) :

Filed in the office of on 200_.

NOTE :

1. In case there are more disputants or opponents, their names, addresses, age and occupations should also be mentioned.
2. In disputes relating to monetary claims, the disputants should state the precise amount claimed but where this cannot be exactly ascertained the disputants shall state the appropriate amount claimed.
3. When the disputant – foreman is a company / cooperative society or a partnership firm its Board of Directors or as

FORM – XVIII

(See Section 71 and Rule 54)

PROCLAMATION TO BE ISSUED AT THE TIME OF THE ISSUE OF A CERTIFICATE

A. In the case of immovable property:

Whereas (Judgement-Creditor) has obtained an Award under Section 69 of the Chit Funds Act, 1982 (Central Act No. 40 of 1982) for an amount of Rs. against (Judgement-Debtor) and proposes to execute the same by sale of the under mentioned property of the said judgement-debtor and whereas the said Judgement-Creditor has obtained a certificate dated for execution of the award under Section 71, of the said Act.

Notice is hereby given that any private transfer or delivery of, or encumbrance or charge on, the property made or created after the issue of the certificate shall be null and void against the said Judgement-creditor under Section 72 of the Act aforesaid.

DESCRIPTION OF THE PROPERTY

Date of award or order	Names of the parties against whom award or order has been passed and a certificate U/s 71 has been	Survey number or House Number	Name of the Village town etc.,	Area	Assessment or other taxes	Other description of the property such as boundaries etc.,	REMARKS
1	2	3	4	5	6	7	8

The Notice shall be proclaimed at some place on or adjacent to such property by beat of drum or other customary mode, and a copy of the said notice shall be fixed on a conspicuous part of the property and upon a conspicuous part of the

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village chavadi and also where the property is land paying revenue to the State Government in the office of the Collector of the District in which the land is situated.

Place.

Date. Registrar of Chits

B. In the case of movable property, a similar notice may be given with necessary changes as to the description of the property. A copy of the notice shall be delivered to the judgement-debtor.

FORM – XIX

(See Rule 56(5))

CERTIFICATE FOR TRANSFER OF PROPERTY

In the case of immovable property:

Where in execution of the award made under Section 69, of the Chit Funds Act, 1982 (Central Act. No. 40 of 1982) in favour of (hereinafter referred to as the Judgement Creditor) an order was passed on the day of 200 for sale of the under mentioned property of the person or persons (debtor or debtors).

And whereas the Court / the Collector / Registrar is satisfied that the said property cannot be sold for want of buyers;

It is hereby ordered that the rights, title and interest of the debtor in the said property shall vest in the said judgement-creditor and shall be delivered to him subject to the terms and conditions laid down in the schedule hereto annexed.

DESCRIPTION OF THE PROPERTY

Survey No.	Area and assessment	Nature of right title and interest of the defaulter	Details of Encumbrances to which property is subject

THE SCHEDULE

The said property is transferred to the Judgement-creditor in full / partial satisfaction of the amount due to him from the debtor.

Given under my hand and seal of the Court / Collector / Registrar this day of 200_.

Court / Collector / Registrar of Chits.

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In the case of movable property:

(The form shall be similar with necessary changes as regards the description and the delivery of the property).

FORM – XX

(See clause(c) of Rule 2)

FORM OF LETTER OF AUTHORITY

I, who / am / is of M/s

(name) (Designation)

being is foreman of the chit series registered under Registration No. as my authorized representative to attend on my / our / behalf in the matters connected with the above chit to produce accounts and documents and to receive on my / our / behalf any notice or document issued and to take all necessary steps in the matter.

I / We agree to ratify all acts done by the said Shri in pursuance of this authority.

Date : Signature :

Place : Status :

FORM – XXI

(See Rule 28(2))

Name of the Foreman

i) Office where the bye-laws of the chit and year of the bye-laws of the chit.

ii) Date of which the balance sheet was prepared.

iii) No. of instalments conducted till date of balance sheet

(i) Registration No.

(ii) Name of the Foreman

(iii) Chit amounts

(iv) No. of instalments.

I – RECEIPTS AND EXPENDITURE

Receipt	Current Year	Total including previous years	Expenditure	Current year	Total including previous years
1	2	3	4	5	6
	Rs.	Rs.	Rs.	Rs.	
1. Subscription paid by the prized and non-prized subscribers.			1. Prize amounts disbursed to prized subscribers.		
2. Receipts under dividend			2. Interest paid to subscribers		
3. Interest realized from the subscribers			3. Amounts paid to defaulter non-prized subscribers.		
4. Contributions by substituted of assignee non-prized subscribers, in respect of dues of defaulters			4. Amount contributed by foreman for payment of the prize amount.		
5. Any other amount received from subscribers.			5. Foreman's commission.		
6. Amount contributed by the foreman for payment of prize amount.			6. Amounts on account of interest realized for delayed payments and forfeited dividend.		
7. Interest accrued from investments			7. Dividend paid		
8. Other items (details to be annexed)			8. Sinking fund		
9. Investments withdrawn			9. Other items (details to be annexed)		
			10. Investments made		
Grand Total :			Grand Total :		

II - STATEMENT OF ASSETS AND LIABILITIES

S. No.	Assets	Rs. Ps.	Liabilities	Rs. Ps.
1.	Amounts due on account of arrears of subscription due from prized subscribers		1. Amounts paid by non-prized subscribers (including dividend)	
2.	Amounts due from the subscribers including the subscriptions		2. Amounts due to non-prized defaulter subscribers	
3.	Interest due from defaulter subscribers		3. Arrears of prize amount due to prized subscribers	
4.	Investments in Bank (including interest thereon)		4. Arrears of prize amount due to prized subscribers	
5.	Other items (details to be annexed)		5. Other items (details to be annexed)	
6.	Sinking fund		6. Sinking fund	
	Total		Total	

III - DETAILS OF INVESTMENTS

Rs. Ps.

1.	Investment made on account of the failure on the part of prized subscribers to receive the prized amount due to them	
2.	Investment made on account of lumpsum collection made from defaulter prized subscriber	
3.	Amount deposited for payment to non-prized defaulter subscribers	
4.	Investments on account of other items of receipts of the chit (details to be annexed)	
	Total	

IV – ASSESSMENT OF VALUE OF INVESTMENT 1.

Investment in Pass book account number.

2. * Amount due from the future instalments of the chit as per bonds, etc., obtained for instalments of the chit including the arrears of Rs. due on account of defaulting instalments from defaulters.

3. Balance of contributions due from the foreman on account of prize amount received by him.

Note : To facilitate audit of balance sheets, the following statements of details should be annexed by the foreman to the balance sheet.

i) Statement of details of receipts and expenditure for each instalments.

ii) Of disbursement.

iii) Of the prize amount in respect of each instalment and

iv) Statement of details of arrears due on the date of the preparation of the balance sheet from the prized and non-prized subscribers.

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Particulars of documents to be entered here.

Security offered by the foreman, hypothecation bonds, etc., executed under Section 20, and hypothecation bonds etc., obtained from the prized subscribers under Section 31 of the Act.

V – CERTIFICATE BY FOREMAN

I certify that the above accounts have been prepared correctly and that they contain a true and complete statement of the affairs of the chit.

Date : Name and signature of foreman

VI – CERTIFICATE BY AUDITOR

Certified that I have examined the chit books and records maintained in respect of the chit the byelaws of which have been registered in as number ___200___ conducted by foreman and have verified the entries in the accounts with the books. The accounts are drawn up in conformity with the provisions of the Chit Funds Act, 1982 and the Rules framed thereunder.

Date : Name and Signature of the Auditor