

THE CHIT FUNDS ACT 1982

The **Chit funds Act 1982**(Central Act No. 40 of 1982) was enacted on ----- **19-08-1982**

Notification by Central Government issued on----**30-04-2012**

The Chit Funds Act came into force in Kerala State on -----**30-04-2012**

Notification by Kerala Government-----**08-05-2012**

Government of Kerala published the Chit Fund Rules 2012----**04-06-2012**

Notification Government order no----**G.O.(P) No.94/2012/TD dt 04-06-2012**

SECTIONS IN CHIT FUNDS ACT 1982

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Section 19—Restriction of opening of new place and business

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Section 21—Rights of foreman

Section 22—Duties of foreman

Section 23—Books, records etc to be kept by the foreman

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Section 42—Refund of non prized subscriber’s subscription

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Section 61—Appointment of Registrar and other officers

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Section 65—Period of Limitation

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Section 74—Appeal

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Section 78—Application of fine

Section 79—Offences by companies

Section 80—Cognizance of offences

Section 81—Power to compound offences

Section 82—Power to enter and search any place and to seize any documents

Section 83—Officers to be public servants

Section 84—Power to delegate

Section 85—Act not to apply to certain chits

Section 86—Banks not to conduct chit business

Section 87—Power to exempt

Section 88—Protection of action taken under the act

Section 89—Power to make rules

Section 90—Repeal and savings

KERALA CHIT FUNDS RULES 2012

Gazette notification -- **GO (P)No.94/2012/TD dated 04-06-2012**

Kerala Chit Funds rules came into force on -- **05-06-2012**

As per Kerala Chit Fund Rules 2012

All **Sub Registrars** are appointed as -- **Assistant Registrar of Chits**

All **District Registrars** are appointed as --**Deputy Registrar of Chits**

Inspector General of Registration is appointed as --**Registrar of Chits**

Registrar of chits --Appointed by the **State Government** under **the Registration Act 1908**

An Additional Registrar of Chits --Appointed by the **State Government** in the office of Registrar to assist the Registrar

A Joint Registrar of Chits -- Appointed by the **State Government** in the office of Registrar

A Deputy Registrar of Chits-- Appointed by the **State Government** in the office of Registrar

District Registrar (General) --The **ex-officio Deputy Registrar of Chits** of respective districts and the **Authorized Officer** for the registration of chits under **section 4 of the Registration Act 1908**

Sub Registrar of Chits—appointed by **the State Government** under **the Registration Act 1908** and the **ex-officio Assistant Registrar** of Chits within his jurisdiction

FORMS TO BE USED UNDER KERALA CHIT FUND RULES 2012

Form No I --Application by a foreman to DRC through ARC for obtaining previous
Sanction to commence or conduct a chit **Filing Fee Rs. 25/-**

Form No II --Application by foreman to ARC for registration of chit agreement

Filing Fee Rs. 10/-

- Form No III --Endorsement or certificate of registration from ARC to the foreman
- Form No IV --Application by a company for appropriation of money from reserve fund
- Form No V -- Declaration by a foreman to ARC that all the tickets specified in the chit Agreement have been fully subscribed

Filing Fee Rs. 250/- (chit amount up to and including Rs. 1 lakhs)

Rs. 750/- (chit amount above Rs. 1 lakhs)

- Form No VI --Certificate of commencement of chit from ARC to the foreman
- Form No VII --Declaration from the foreman to ARC the certificate about having furnished Copy of chit agreement of the subscribers

(Should be filed within 15 days from the last day of the first draw/auction

Month. Filing Fee Rs. 2/-

- Form No VIII --Form of chit agreement
- Original chit agreement stamp paper worth Rs. 5 % of chit amount**
- Duplicate chit agreement stamp paper worth Rs. 100/-**

- Form No IX--Notice to subscribers of chit
- Form No X--Application from foreman to ARC for certificate of sufficiency of security for conducting a chit
- Form No XI--Certificate from ARC to foreman regarding the sufficiency of security
- Form No XII --Application for the substitution of the security
- Form No XIII--Form of register of subscribers
- Form No XIV--Form of ledger
- Form No XV--Form of the day book
- Form No XVI--Form of the receipt book
- Form No XVII--Application for reference of a dispute or arbitration

Form No XVIII—Proclamation to be issued at the time of issue of a certificate

Form No XIX—Certificate for the transfer of property

Form No XX—Form of minutes of auction proceedings

Filing fee for the copy of minutes Rs. 2/-

Form No XXA—Form of letter of authority to produce accounts and documents and to

Receive any document or notice issued and to take all necessary steps

On behalf of foreman

REGISTERS TO BE MAINTAINED AT SRO

Form No XXI—Form of register of records of chits

Form No XXII—Form of register of securities offered under section 20(1) of the CFA Act 1982

Form No XXIII—Form of register of fees realized on account of chits

Form No XXIV—Form of register of fees collected for compounding offences under the

CFA Act 1982

Form No XXV—Form of register of prosecution

Form No XXVI—Form of register of application for previous sanction to commencement

Or conduct of chits

Form No XXVII—Form of register of prosecutions sanctioned under the CFA Act 1982

Form No XXVIII—Form of Balance sheet

REMITTANCE OF FEES AS PER CFA 1982

AT THE TIME OF NEW CHIT REGISTRATION

Previous sanction to commence or conduct a chit

Under subsection (2) of section 4 (Form No. I) =Rs. 25/-

Filing a chit agreement under subsection (1)

Of section 7 (Form No.II) =Rs. 10/-

Filing a declaration with the Registrar under

Subsection (1) of section 9 (Form No. V)=**Rs. 250/-**(up to chit amount 1 lakhs)

=**Rs. 750/-**(Chit amount above 1 lakhs)

Filing a certificate about having furnished copy

Of chit agreement of the subscribers under

Subsection (2) of section 10 (Form No.VII) =**Rs. 2/-**

(Shall be filed within 15 days after the close of the month in which first draw/auction of the chit is held)

FD receipt (Statutory Deposit with Treasury in the

Name of Assistant Registrar of chits) =**Amount equal to chit amount**

STAMP PAPER

For original chit agreement =**5% of chit amount**

For duplicate chit agreement =**Rs. 500/-**

FILING OF MINUTES

A copy of the minutes of the auction proceedings of

Each chit under section 18 & rule 18 (Form No. XX) =**Rs.2/-**

(Shall be filed within 21 days from the date of draw/auction of the chit is held)

REMOVAL AND SUBSTITUTION

Removal of defaulting subscriber under subsection (3) of section 28= **Rs. 2/-**

Substitution of a new subscriber under subsection (2) of section 29= **Rs. 2/-**

FILING OF BALANCE SHEET

A. YEARLY FOR EACH CHIT UNDER SECTION 24 OR UNDER SUBSECTION (4) OF SECTION 61

Filing fee

Chit amount up to and including Rs. 50000/-- Rs. 200/-

Chit amount above Rs. 50000/- and up to

And including Rs. 100000/-

--Rs. 500/-

Chit amount above Rs. 100000/-

-- Rs. 1000/

B. AUDITED BALANCE SHEET FILING FEE UNDER SECTION 24 AS PER

COMPANIES ACT, 1956(CENTRAL ACT 1 OF 1956)

Yearly by each branch

--Rs. 1000/-

(Shall be filed on the last date of the financial year along with the profit & loss account relating to the year of account in the forms set out in parts I & II of the schedule)

DOCUMENTS RETURN FROM SRO AFTER NEW CHIT REGISTRATION

Form III

Form VI

Form XI

Original chit agreement

Fees receipts

Chit pass books

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