Chapter 2 - Registration

- Registration (3 to 10)
- Registration (11 to 17)

Registration (3 to 10)

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 the 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 Form II.

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 refuses to register a chit, he shall record the reasons for such refusal in writing and communicate a copy of the order made 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 Form IV.

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.

Registration (11 to 17)

11. Form of commencement of chit.—The certificate of commencement of a chit to be granted to the foreman shall be in 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 of 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 subsection (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.