Foreman (28 to 31)

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 be 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 the 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.

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