Inspection of Documents (44 to 47)

44. Foreman to allow certain subscribers to inspect chit records.- Every foreman shall, on payment of such fee not exceeding five rupees as may be specified in the chit agreement, allow the non-prized subscribers and unpaid prized subscribers reasonable facilities on all the dates of a draw or on such other dates and within such hours as may be provided for in the chit agreement for the inspection of security bonds and documents, receipts and other records taken from the prized subscribers or furnished by the foreman as a subscriber and all chit records including books of account pass book balance sheet and profit and loss accounts and such other records as may show the actual financial position of the chit.

45. Preservation of chit records by foreman.- All the records pertaining to a chit shall be kept by the foreman for a period of eight years from the date of termination of the chit.

46. Inspection of chit books and records by Registrar.-

(1) Without prejudice to the provisions of sections 209 and 209A of the Companies Act, 1956 (1 of 1956), the Registrar or an officer authorised by the State Government on this behalf may inspect chit books and all the records of a chit during working hours on any working day at the premises of the foreman with or without giving notice and it shall be the duty of every foreman to produce to the Registrar or the officer so authorised, all such books and records as are in his custody or power and to furnish him with any statement or information relating to the chits as he may require from the foreman within such time as he may specify.

(2) The Registrar or an officer authorised by the State Government in this behalf may, after giving seven days' notice in writing to the foreman, direct him to produce before him for inspection such chit books and records as he may require at the time and place mentioned in the notice.

(3) If on an inspection made under sub-section (1) or sub-section (2) any defects are found, the Registrar may bring such defects to the notice of the foreman and may also make an order directing the foreman to take such action as may be specified in the order to remedy the defects within the time specified therein.

(4) Every foreman shall be bound to comply with the directions contained in an order made under subsection (3).

47.Power Reserve Bank to inspect chit books and records.-

(1) Nothing in section 46 shall be deemed to affect the power of the Reserve Bank to inspect the books and records of any foreman under the provisions of section 45N of the Reserve Bank of India Act, 1934 (2 of 1934).

(2) The Reserve Bank may, if it considers necessary forward a copy of its report or of any part of its report on the inspection of the books and records of a foreman to the foreman for taking necessary action.

(3) Every foreman shall, on report or part thereof under sub-section (2), be bound to comply with the directions, if any given by the Reserve Bank in this behalf and shall if so required submit periodical reports in regard to the action taken by him.

(4) The Reserve Bank may also forward a copy of the report on the inspection of the books and records of a foreman to the State Government within whose jurisdiction the registered office of the company, if the foreman, is a company or the place or the principal place of business of the foreman in any other case, is situated for such action as may be considered necessary.

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