

**PROCEEDINGS OF THE REGISTRAR OF CHITS,**  
**THIRUVANANTHAPURAM**

Present: Sri. C. Reghu IAS

Sub: Compounding of offences as per section 81 of the Chit Funds Act, 1982-  
Prescribing compounding fees rates - regarding.

Ref: Government Order No. G.O (p) No.157/2012/TD  
Thiruvananthapuram, dated 6/9/12.

**Order No: C2- 26033/12 Thiruvananthapuram, Dated: 3 /11/2012**

As per the order cited the Government of Kerala have empowered the Deputy Registrar of Chits (Head Quarters) as the officer to compound the offences under Chit Funds Act, 1982. The above empowered officer, viz, the Deputy Registrar of Chits (Head Quarters) has submitted a proposal that a schedule of compounding fee may be approved by the Registrar of Chits to ensure transparency in the matter. After considering the above proposal in detail and by exercising the powers under sub-rule (a) of Rule 3 of the Kerala Chit Funds Rules, 2012, the Registrar of Chits here by orders that the following fees shall be levied for compounding the offences under Section 81 of the Chit Funds Act, 1982:-

**SCHEDULE OF FEES FOR COMPOUNDING THE OFFENCES**

|   |  |   |  |
|---|--|---|--|
| I |  | For filing copy of<br>a) the minutes of proceedings under section 18<br>b) entry in the subscriber's register regarding removal of a subscriber [Section 28(3)]<br>c) entry in the subscriber's register regarding substitution of a subscriber [Section 29(2)]<br>d) copy of the entry in relevant book regarding transfer of right of foreman to receive subscription from the prized subscriber [Section 34(1) read with Section 37]<br>e) copy of entry in relevant book regarding transfer of right of non-prized subscriber [Section 35 read with Section 37]<br>f) copy of assent regarding withdrawal of foreman [Section 26 read with section 41]<br>g) copy of consent regarding termination of chit [Clause (b) of Section 40 read with Section 41]<br>h) certificate under sub-sections (2) of Section 10 |  |
|---|--|---|--|

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|-----|-----|--|--|
|     | (a) | When the delay does not exceed 15 days   | ₹ 50   |
|     | (b) | When the delay exceeds 15 days but does not exceed 30 days   | ₹ 100  |
|     | (c) | When the delay exceeds 30 days, for every 30 days in excess of the first 30 days or part there of (Note :For calculating the period under item(b) to (g) above, extension has been granted by the Registrar under Section 75, such period has to be excluded)  | ₹ .50/- subject to a maximum ₹ .250 in the case of chits whose capital does not exceed ₹ .1 lakh and subject to a maximum ₹.500/-in all other cases. |
| II  |     | a) For the payment of prize amount to prized subscriber under sub-section(1) of Section 22<br>b) For depositing the unpaid prize amount in an approved bank[Section 22(2)]<br>c) For depositing the amount equal to the contribution of the defaulting subscriber on substitution [Section30 (1)]<br>d) For the payment of contribution of defaulting subscriber (for whom no substitution was made) within 15 days on termination of chit |  |
|     | (a) | When the delay does not exceeds 15 days  | ₹ 250  |
|     | (b) | When the delay exceeds 15 days but does not exceed 30 days   | ₹ 500  |
|     | (c) | When the delay exceeds 30 days, for every 30 days or part thereof  | ₹ 1000   |
| III |     | For the offence of unauthorized withdrawal from the approved bank of<br>(a) Amount due to a defaulting subscriber Section 30(1)<br>(b) unpaid prize amount deposited [Section 22 (2)]  | ₹ 1000   |
| IV  |     | Filing balance sheet to be audited by the Chit Auditor or audited balance sheet under Section 24   |  |
|     | (a) | When the delay does not exceed 15 days   | ₹ 50   |
|     | (b) | When the delay exceeds 15 days but does not exceed 30 days   | ₹ 100  |
|     | (c) | When the delay exceeds 30 days, for every 30 days in excess of the first 30 days or part there of  | ₹. 50/- subject to a maximum ₹ .250 in the case of chits whose capital does not exceed ₹ .1 lakh and subject to a maximum ₹.500/-in all other cases. |

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| V   |  | Irregular maintenance of Chit Records (For each record)   | ₹ 100 |
| VI  |  | Omission to issue to the subscribers copies of<br>a) registered chit agreement [Section 10(1)]<br>b) special resolution [Section 38(4)]<br>For each offence | ₹ 50  |
| VII |  | Omission to issue copies of chit agreement and special resolution to subscribers [Section (6)]<br>For each offence  | ₹ 50  |

The maximum compounding fee under sub-section (1) of Section 81 is fixed as follows : The maximum compounding fee in respect of a particular chit irrespective of the number of offences is fixed as ₹. 2000/- where the capital does not exceed one lakh rupees. When the chit amount exceeds one lakh but does not exceed five lakhs, it is fixed as ₹.5000/- and the maximum compounding fee in respect of offences is fixed as ₹.10000/- where the chit amount exceeding five lakh rupees. The said limitation of maximum compounding fee is for a single chit and such benefit can be availed by the foreman only in the return of the same chit are filed in the office on the same day. Other wise , the offences will have to be treated as separate offence even though they relate to the same chit.

Sd/-

REGISTRAR OF CHITS

Copy for information and appropriate action to:

1. The C.A to the Inspector General of Registration
2. The Inspector General of Registration(modernization)
3. The Joint Inspector General of Registration
4. All D.I.G's of Registration.
5. All Deputy Registrars of chits
6. All Assistant Registrars of Chits.
7. All Chit Auditors
8. All Inspectors of Chits.
9. Finance Officer.
10. Stock File.
11. R.R. Section
12. Notice Board

By order

  
Deputy Registrar of Chits (Head quarters)