

The Maharashtra Chit Funds Rules, 1976

MAHARASHTRA

India

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Rule THE-MAHARASHTRA-CHIT-FUNDS-RULES-1976 of 1976

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The Maharashtra Chit Funds Rules, 1976 Published vide Notification G. N., F. D., No. CFR. 1076/155/RES-10, dated 24th December, 1976 (M. G., 1977, Part 4-B, page 16) In exercise of the powers conferred by sub-sections (1) and (2) of section 73 of the Maharashtra Chit Funds Act, 1974 (Maharashtra LV of 1974), and of all other powers enabling it in that behalf, the Government of Maharashtra hereby makes the following rules, the same having been previously published as required by sub-section (1) of the said section 73, namely :-

Chapter I Preliminary

1. Short title.

(1) These rules may be called the Maharashtra Chit Funds Rules, 1976. (2) They shall come into force from the 1st day of January, 1977.

2. Definitions.

- In these rules, unless the context otherwise requires:- (a) "Act" means the Maharashtra Chit Funds Act 1974 (Maharashtra LV of 1974); (b) "Form" means a form in Appendix I to these rules; (c) "Section" means a section of the Act; (d) Words and expressions used in these rules but not defined shall have the meanings respectively assigned to them in the Act.

Chapter II Constitution and Registration

3. Subject matter of by-laws.

- The by-laws shall provide for the following matters, namely (1) Scheme of the chit. -(a) The objects of the chit; (b) place where the chit is proposed to be conducted and the Registrar within whose jurisdiction it is situated; (c) chit amount; (d) total number of tickets in the chit; (e) total number of instalments and the amount of subscription payable for each instalment; (f) minimum number of tickets or the minimum fraction of a ticket and the maximum number of tickets, if any, fixed for which subscription can be made by a subscriber; (g) date of commencement and termination of the chit. (2) Foreman. -(a) If the Foreman is not a firm or Corporation, his name, father's name or mother's/husband's name, age, occupation and permanent address of the Foreman; (b) if the Foreman is a firm, the name of the firm and the name of each one of the partners of the firm and the other particulars mentioned in sub-clause (a) of each partner thereof; (c) if the Foreman is a Corporation the name of the Corporation, its registration number and the name and situation of its registered office : Provided that, if the Foreman is a firm or a Corporation, a true copy of the entry in the Registrar of Firms or of the registration certificate, as the case may be, duly certified by the Registrar of Firms or the Registrar of Companies shall be produced with the by-laws before the Registrar. The true copy of the entry in the Register of Firms or the registration certificate shall be retained by the Registrar along with the by-laws in his office. (3) Rights of the Foreman. -(a) Right, if any, reserved to the Foreman to obtain the chit amount at any specified instalment without any auction, drawal or tender; (b) the rate of commission or remuneration; (c) to transfer the right of defaulting subscribers to substitute subscribers, subject to the condition that every substituted subscriber executes the chit agreement and have it filed by the Foreman with the Registrar before the drawing of the instalment next to the one at which the substituted subscriber concerned participated in the chit; (d) lien of the Foreman on the amounts due to prized subscribers, for the subscription due to chit payable by each subscriber. (4) Duties of the Foreman. -(a) Duty of Foreman to specify the date and place for payment of the prize amount to the prized subscribers; (b) details of the arrangements made for the investment of funds including the undisbursed amount due to prized subscribers, arrears of subscription collected from substituted subscribers and future subscriptions from defaulting prized subscribers; (c) names of the approved Banks into which all the moneys relating to the chit shall be deposited under the provisions of the Act; (d) description and kind of security offered by the Foreman for running the chit with right reserved to change or substitute the security subject to the previous sanction of the Registrar; (e) nature and kind of audit of accounts proposed and the person by whom the balance-sheets are to be audited as required by section 17; (f) date, time and place for the examination of chit records under section 37 and the fee payable therefor; (5) Subscription, place of payment and last date for payment of each instalment; (6) Date, time and place of drawal, auction or receipt of tender and the maximum and minimum amounts of dividend, if any, fixed in respect of each instalment; (7) Dividend Information as to how a dividend is assessed and how it is distributed among the subscribers; (8) Mode of determining the successful bidder; (9) Procedure to be adopted when there are no bidders or when there is a tie between the bidders; (10) Persons competent to bid at each instalment; (11) Penalties and fines imposed, if any, on defaulting subscribers; (12) Provision made for the payment of subscription due from a defaulting subscriber till a substituted subscriber takes his place; (13) Provision made for the transfer of the ticket of non-prized subscribers and of the interest of the Foreman; (14) Procedure to be adopted on the death of a subscriber before the termination of the chit; (15) Procedure for the continuance of the

chit in the event of, - (i) the death of the Foreman or his becoming of unsound mind, if the Foreman is an individual; (ii) the dissolution of the firm, if the Foreman is a partnership firm; and (iii) the winding up of the Company if the Foreman is an incorporated company. (16) Procedure to be adopted for meeting the expenditure connected with the execution of chit agreement, the security bond to be executed by prized subscribers, release of security and any other matter relating to the chit. (17) Such other matters incidental to the conduct and management of the chit as may be deemed necessary.

4. Application for registration of the chit and its by-laws.

- Every application for the registration of a chit and its by-laws shall be made to the Registrar by the Foreman in Form I, and it shall be accompanied by the fee set out in Appendix II and two copies of the by-laws.

5. Certificate of Registration.

- The certificate of registration to be issued under sub-section (2) of section 4 shall be in Form No. II.

6. Registration number of chit and its by-laws.

- Every chit and its by-laws registered under the Act shall be numbered serially by the Registrar in separate series for each calendar year.

7. Communication of order of refusal to register chit and its bylaws.

- If the Registrar refuses to register a chit and its by-laws, he shall record his reason for such refusal in writing and communicate a copy of the order to the applicant.

8. Registration of amendment or cancellation of by-laws.

(1) No amendment or cancellation of any by-laws of a chit shall have effect unless such amendment or cancellation is registered. If the Foreman makes any amendment to or cancellation of a by-law, he shall submit the amendment or cancellation in duplicate to the Registrar duly signed and attested by two witnesses along with an application for the registration of such amendment or cancellation of the by-laws. (2) An application to register an amendment or cancellation of by-laws shall be dealt with in the same manner as an application to register the by-laws.

9. Date of effect of amendment to or cancellation of by-laws.

- An amendment to or cancellation of a by-law of a chit shall not take effect from a date earlier than the date of registration of such amendment or cancellation unless otherwise ordered by the Registrar [for reasons to be recorded in writing] [Inserted by G. N. of 6.10.1977.] : Provided that, the

Registrar shall not give effect to the amendment or cancellation from a date earlier than the date for application of the registration of the amendment or cancellation of the by-law as the case may be.

10. Place of conducting chit.

- A chit shall be conducted only at the place specified in the registered by-laws of the chit.

11. Particulars to be contained in the chit agreement.

- The chit agreement shall, in addition to the particulars specified in section 6, contain full and complete particulars on the following points namely :-(1)The Registrar with whom the by-laws have been registered;(2)Registration number and date of registration of the by-laws;(3)(a)if the Foreman is not a firm or a Corporation, the name, father's or mother's/husband's name, age, occupation and permanent address of the Foreman;(b)if the Foreman is a firm, the name of the firm and the name of each one of the partners of the firm and other particulars mentioned in sub-clause (a) in respect of each partner thereof;(c)if the Foreman is a Corporation, the name of the Corporation, its registration number and the name and situation of its registered office;(4)chit amount;(5)time and place at which and the period within which every prized or non-prized subscriber shall pay his subscription;(6)if the prized subscriber at a draw is to be ascertained by auction or tenders, provision for determining the prized subscriber when there are no bids or tenders;(7)persons who can bid or participate in the draw and the rights of the participants if they are nominees of subscribers;(8)whether non-prized and unpaid prized subscribers will get their contributions to the chit on the termination of the chit without any deduction;(9)particulars of security given or deposited by the Foreman under section 13 with the right reserved to change or substituted the security, subject to the permission of the Registrar;If the security is in the form of cash, the place or bank wherein they are deposited; and if Government securities, their nature and value shall be specified. The value of the security shall be given in each case;(10)period within which subscription for each instalment is payable and the fine or penalty, if any, for belated payment;(11)nature and kind of audit of accounts proposed and the person to whom the audit of balance sheets is to be entrusted under section 17;(12)date, time and place for the examination of the chit records under section 37 and the fee payable thereof;(13)the manner of security to be furnished by prized, subscribers for the due payment of future subscriptions;(14)whether the subscribers to the agreement undertake to abide by the by-laws of the chit.

12. Form of certificate of commencement of chit business.

- The certificate of commencement referred to in section 8 shall be in Form III.

13. Form of certificate referred to in sub-section (2) of section 9.

- The certificate to be filed under sub-section (2) of section 9 shall be in Form IV.

14. 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 11, contain full particulars on the following points, namely :-(1)particulars of deposit, if any. of money under sub-section (1) and (2) of section 15 since the date of the previous draw;(2)particulars of deposit, if any. of money under sub-section (3) of section 22, section 23 and sub-section (4) of section 26 since the date of the previous draw;(3)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;(4)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 subscribers related to fraction of a ticket, particulars in respect of each such fraction shall be entered;(5)full particulars of the commission paid to the Foreman and the amount of dividend assigned to each subscriber;(6)names of subscribers or their authorised agents who bid at the drawing, their ticket numbers and signatures.

Chapter III

Foreman

15. Procedure in case of cash deposit or Government securities.

(1)In the case of cash deposited in an approved bank and transferred in favour of the Registrar under clause (a) of sub-section (1) of section 13. the receipt or the book issued by the approved bank shall be delivered to the Registrar. The Registrar shall inform the approved bank that the security amount has been deposited in the bank in pursuance of section 13.(2)In the case of Government securities transferred in favour of the Registrar under clause (b) of sub-section (1) of section 13. the Registrar shall keep them in safe custody under his control in a Government Treasury. -

16. Substitution of security.

(1)During the currency of a chit, the Foreman may apply in Form V to the Registrar for permission to substitute the security given by him for the proper conduct of the chit by fresh security.(2)The Registrar may grant the permission after satisfying himself,-(i)that the request of the Foreman for the substitution of the security given under section 13 is for reasons stated in the application; and(ii)that the fresh security offered is adequate.(3)The procedure prescribed in rule 15 shall apply mutatis mutandis to substituted security given by the Foreman under this rule.

17. Procedure on accepting fresh security.

(1)The Registrar shall if so required by the Foreman, execute and register a deed of release in respect of the original security at the cost of the Foreman.(2)If the original security to be returned is Government securities deposited in a Government treasury, the Registrar shall arrange to return the securities offered by the Foreman after making endorsements of re-transfer in the pass book

(receipt) or Government security (or other record), as the case may be.

18. Applications for release of security.

- On the termination of chit the Foreman may apply to the Registrar for the release of the security given by him.

19. Declaration by Foreman.

- An application for release of security under sub-section (5) of section 13 shall contain a declaration separately signed by the Foreman stating that claims of all the subscribers have been fully satisfied and that all dues payable by the Foreman under the Act to the Registrar or any other officer have been paid.

20. Procedure for release of security.

(1)(a)The Registrar may, for the purpose of releasing the security under sub-section (4) of section 13, call upon the Foreman to produce a copy duly certified to be a copy, of any register and book of account maintained by the Foreman, and shall exhibit a notice on his office notice board stating that the security is proposed to be released and that any person objecting to such release may file with the Registrar his statement of objections, if any, within fifteen days from the date of exhibition of the notice.(b)If no objections are received within the period specified in the notice, the Registrar shall release the security.(2)If any objections are received, the Registrar shall enquire into the objections summarily within fourteen days after the date of expiry of the period specified in the notice referred to in sub-rule (1). and record his decision in writing and communicate a copy thereof to the Foreman and to the objector.

21. Books and accounts to be maintained by the Foreman.

- In addition to the book of minutes of draws mentioned in section 11, every Foreman shall keep the following registers and books of accounts, namely:-(1)a register of subscribers in Form VI;(2)a ledger in Form VII;(3)a day book in Form VIII;(4)a receipt book in Form IX duly certified by the Foreman as to the number of pages in duplicate;(5)a book containing copies of all notices issued by the Foreman to the subscribers;(6)a file containing the vouchers for payments made by the Foreman; and(7)a file containing documents relating to securities given by the prized subscribers.

22. Account to be written up promptly.

- {1) Every entry in the register of subscribers, the ledger or the day book mentioned in rule 21 shall be made as and when the particular event occurs.(2)On the receipt of any money, a receipt shall immediately be prepared or caused to be prepared by the Foreman in Form IX and delivered to the payer.(3)The Foreman shall, at the time of issuing every notice, prepare a copy thereof in the book mentioned in clause (5) of rule 21. certify it to be a true copy, and enter therein under his signature

the date of despatch of the notice.(4)A voucher duly signed by the recipient shall be obtained by the Foreman at the time any payment is made to him and such voucher shall be immediately filed in the file specified in clause (6) of rule 21 after due verification of all the particulars entered therein.(5)Every document relating to the security given by prized subscribers shall as soon as it is received be filed in the file mentioned in clause (7) of rule 21. The file shall contain an index for facilitating the scrutiny of the documents.

23. Filing of vouchers.

- As soon as each payment is made, the Foreman shall obtain a voucher from the payee. He shall verify whether the voucher specifies the purpose for which the payment was received and whether it is properly signed by the recipient and preserve it in the file mentioned in clause (7) of rule 21 after assigning a serial number thereto for each calendar month.

24. Form of balance sheet.

- The balance sheet referred to in sub-section (1) of section 17 shall be in Form X.

25. When balance sheet is to be prepared.

(1)The balance sheet shall be prepared by the Foreman -(a)when the duration of the chit does not exceed one year, on the termination of the chit;(b)when the duration of the chit exceeds one year, on the expiry of every period of twelve months, and also on the termination of the chit.(2)The balance sheet shall be filed by the Foreman within two months from the date of expiry of the period referred to in sub-rule (1).

26. Audit by 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 (3) of section 53, the Foreman shall immediately after the preparation of the balance sheet make an application for such audit to the Registrar in whose jurisdiction the chit is conducted, specifying whether the audit shall be at the premises of the Foreman or not and the application shall be accompanied by the fees set out in Appendix II.(2)The Registrar shall forward the application of the Foreman to the inspector of Chits having jurisdiction, who shall cause the balance sheet and profit and loss account to be audited by the Chit Auditor as expeditiously as possible. On receipt of the application, the Inspector of Chits shall forward it to the Chit Auditor who shall thereupon 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 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 premises of the Foreman, or for the production of registers, books of account and other records relating to the chit, as the case may be.

27. Audit certificate and report of Chit Auditor to be in quadruplicate.

- The Chit Auditor shall prepare his report and audit certificate in quadruplicate and shall send one copy to the Foreman, the second to the Registrar, the third to the Inspector of Chits and keep the last copy for his own file.

28. Time for filing balance sheet audited by Chit Auditor or by other Auditors.

(1)Where the audit is done by the Chit Auditor, the Foreman shall file with the Registrar a copy of the balance sheet and profit and loss account together with the audit certificates and the auditor's report within one month from the date of receipt of the audit certificate and audit report from the Chit Auditor, or within four months from the last date 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 (I of 1956), the Foreman shall file with the Registrar the documents referred to in sub-rule (1) within three months of the expiry of the period with reference to which the balance sheet is to be prepared under rule 25.

Chapter IV

Winding up of Chits

29. Form of petition for winding up and presentation.

- A petition for winding up shall contain the following particulars, namely :-(1)Full name,, description, occupation and address of petitioner/ petitioners.(2)Address of his/their advocate for the service of all notices, process etc.(3)Address of the Foreman.(4)Particulars of the chit - (i)Number and date of registration of by-laws;(ii)Officer where the by-laws were registered;(iii)the chit amount;(iv)the total number of tickets;(v)the number of subscribers and the number of tickets subscribed by each subscriber;(vi)the number of the non-prized subscribers on the date of the petition; and(vii)the number of unpaid prized subscribers.(5)Facts on which the petitioner/petitioners reply in support of the petition.(6)Particulars relating to the decree and execution of other process which has been returned unsatisfied in whole or in part, if the ground of the petition is that execution of other process issued on a decree or order of any court in favour of any subscribers in respect of the amounts due to him from the Foreman was returned unsatisfied in whole or in part.(7)Full details to show that the condition prescribed in clause (a) of the proviso to section 41 is satisfied, if the winding Up of the chit is applied for under clause (d) or (h) of section 40 and if the said clause (a) applied.(8)Whether the previous sanction of the Government has been obtained. if clause (b) of the proviso to section 41 applies. (A copy of the relevant order of Government to be attached).

30. Proposals for collection and distribution of chit assets.

(1)The Receiver shall as soon as possible settle and submit to the Court a statement (hereinafter

referred to as the "Provisional Statement") showing-(a)The names of subscribers and other persons from whom moneys are due to the chit;(b)The names of subscribers and other persons to whom moneys are due from the chit;(c)Proposals as to how the chit assets are to be collected and applied in the discharge of its liabilities, and(d)The amount proposed to be paid to each of the persons specified in clause (b).(2)Notice of the preparation of the provisional statement accompanied by a copy thereof shall be published and be served on the petitioner, the subscribers and other persons mentioned by the court, in such manner as the court may direct. If the number of persons on whom notice is to be served is large, the notice may in the discretion of the court be served on the petitioner only and advertised in one or more daily newspapers. The notice shall specify the date on which objections to the provisional statement will be heard and shall call upon any person having such objections,-(i)to submit his statement of objections and the grounds therefor supported by an affidavit before the date appointed by the court in this behalf; and(ii)to appear in person or by advocate on the date of hearing with all the evidence in support of his objections.

31. Set-off to be allowed.

- When money is due from the Foreman to a subscriber and also from the subscriber to the Foreman, the subscriber shall be allowed the benefit of a set-off.

32. Hearing of objections to the provisional statement.

- On the date fixed for the hearing of objections under sub-rule (3) of rule 30, the court shall enquire into the objections and after considering the evidence adduced in support thereof pass orders on the objections and call upon the Receiver to revise, if necessary, the provisional statement in accordance with its orders. The court shall fix a date by which such revision is to be made and intimate orally or in writing such date to the persons who have appeared in person or through their advocates on the date of the hearing.

33. Final orders of settlement by Court.

(1)As soon as possible thereafter and at least ten days before the date fixed under rule 35, the Receiver shall submit to the court a fresh list of subscribers or other persons to whom or from whom moneys are due and fresh proposals for the distribution of the available chit assets after making such further enquiry as may be necessary. The court shall thereupon consider the said list and proposals and approve or modify them in such manner as it considers necessary. The court shall pass final orders accordingly on the date fixed under rule 36 for the collection and distribution of the chit assets. The Court may also pass such orders as may be necessary for the distribution of the available chit assets in case such assets happen to be insufficient to meet sums which have to be paid to the subscribers.(2)The final orders passed by the court under this rule shall be conclusive evidence of the several claims to be met out of the chit assets.

34. Provision for expenses of winding up.

- In making proposals for the distribution of the chit assets, the Receiver shall specify the estimated amount of the cost of winding up including remuneration for the Receiver and such other items of expenditure as are incidental to the winding up and such estimated amount shall first be provided for and deducted from the value of the chit assets and the balance amount shall also be proposed for distribution in the provisional statement and the fresh list mentioned in rules 30. 32 and 33.

35. Filing of final accounts by Receiver.

(1) Upon the termination of the proceedings relating to the winding up, the Receiver shall file his final account into the court. Within fifteen day of such final account being passed by the court, the balance of money in the hands of the Receiver shall be paid into the court. The Receiver shall also state how the balance amount may be disposed of together with his reasons for his proposals. He shall also deposit into the court all books, accounts and all other records relating to the chit which has been wound up. (2) The Receiver may thereafter apply to the court for a certificate of discharge from the duties as Receiver and for the vacating of his recognizance bonds entered into by him and the sureties, if any. On receipt of such application, the court may pass orders of such discharge and vacating of the bonds and for the disposal of the final balance of the chit assets, if any.

36. Receiver to send copy of final order to the Registrar for custody of chit assets etc.

(1) After the affairs of a chit have been completely wound up and the court makes an order recording the fact, the Receiver shall send a copy of such order to the Registrar within fourteen days from the date of the order. (2) On receipt of the copy specified in sub-rule (1), the Registrar shall enter in his books a gist of the order passed by the court.

37. Disposal of records.

- The books and papers of a chit which has been completely wound up and of the Receiver shall be retained and disposed of in such manner as the court directs.

38. Meetings.

- When the number of subscribers is large and the Court, whether on application of the Receiver or not at any stage considers that a meeting of all such parties is necessary in order to ascertain their wishes in any matter, the court may pass an order for holding such a meeting. The court may direct the manner in which and the time and place at which the meeting shall be held and the Receiver shall convene and hold the meeting accordingly.

Chapter V

Fees

39. Table of Fees.

- The fees payable to the Registrar for the matters specified in section 55 shall be as set out in Appendix II and shall be paid in cash.

40. Receipt of Fees.

- The Registrar shall grant receipts for all fees received by him.

41. Refund of Fees.

- The Registrar may refund any fee paid to him in excess of the amount prescribed or any fee that is unearned. Explanation. - The expression "Fee that is unearned" in this rule means fee paid in connection with the registration of the by-laws, the filing of a document or other service to be performed by the Registrar where such registration or filing is not actually effected or the service is not actually rendered.

Chapter VI

Miscellaneous

42. Appeal to be in writing.

(1)An appeal under sub-sections (1) and (2) of section 56, shall be either presented in person or sent by registered post to the Director.(2)The appeal shall be in the form of a memorandum and shall be accompanied by the original or a certified copy of the order appealed against.(3)Every appeal shall, -(a)specify the name and address of the appellant and also the names and addresses of the respondents;(b)state by whom the order appealed against was made;(c)set forth concisely and under distinct heads the grounds of objections to the order appealed against with a memorandum of evidence;(d)state precisely the relief which the appellant claims; and(e)give the date of the order appealed against.

43. Hearing and disposal of appeal.

(1)On receipt of the appeal, the Director shall, as soon as possible, examine it and ensure that, -(a)the person presenting the appeal has the locus standi to do so;(b)it is made within the specified time limit; and(c)it conforms to all the provisions of the Act and these rules.(2)In the proceedings before the Director, the appellant and the respondents may be represented by an agent holding a power-of-attorney or by a legal practitioner.(3)The Director shall, on the basis of the enquiry

conducted and with reference to the records examined, pass such order on the appeal as may seem just and reasonable.(4)Every order of the Director under sub-rule (3) shall be in writing, and it shall be communicated to the appellant and the Registrar concerned.

44. Procedure in certain appeals and applications.

- In respect of an appeal under sub-section (5) of section 21 the procedure specified in rules 42 and 43 shall mutatis mutandis apply.

45. Period of retention of records.

- The records of a chit including registers and books of account shall be preserved in the office of the Registrar for twelve years (a) from the date of release of security in the case of chits which are terminated, and (b) from the date when the affairs of the chit are completely wound up in the cases dealt with in Chapter X of the Act and if orders passed under that Chapter are appealable, from the date of disposal of such appeal.

46. Register of records kept.

- Every Registrar shall keep a separate register in which shall be entered particulars of all records relating to chits registered in his office. Appendix I Forms Form I (See rule 4) Application for the issue of certificate of registration under section 4 of the Maharashtra Chit Funds Act, 1974) (Maharashtra LV of 1974) From To, The Registrar of Chits, (Station). Sir, [I (Name), son/wife/daughter of..... (profession or occupation)residing at.....] [The particulars should be suitably altered in the case of firms or a Corporation.] We (name of the firm or Corporation) situate at.....having the registered office atdesire to conduct a chit as Foreman at (specify the place with postal address, taluka and district). The chit amount is Rs. (Rupees only),

2. I/We remit herewith the sum of Rs..... being the fees for the registration of the chit and its by-laws.

3. The by-laws of the chit proposed to be conducted are herewith submitted in duplicate signed by me/us and attested by two witnesses.

4. I/We request that the chit and its by-laws may be registered and the duplicate copy of the by-laws returned to me/us with the fact of registration of the by-laws duly endorsed thereon.

Station : Date : Signature of the Applicant. Note. - Strike out the words not applicable. Form II (See rule 5) Certificate of Registration under section 4 of the Maharashtra Chit Funds Act, 1974 (Maharashtra LV of 1974) I hereby certify that the chit and the by-laws relating to the chit

proposed to be conducted by (the name and address of the Foreman should be filled in here) as Foreman have this..... day of 19... been registered by me under sub-section (2) of section 4 of the Maharashtra Chit Funds Act, 1974 as number ... of 19 ...Date :Signature of RegistrarStation ;SealForm III(See rule 12)Certificate of commencement of chit business under section 8 of the Maharashtra Chit Funds Act, 1974(Maharashtra LV of 1974)I hereby certify that is entitled to commence the business of conducting the chit [.....] [Here briefly describe the chit.] the by-laws of which have been registered in my office as number..... of..... 19.....Given under my hand and seal, this day of 19Signature of RegistrarStation ;SealForm IV(See rule 13)Certificate to be filed with Registrar under sub-section (2) of section 9 of the Maharashtra Chit Funds Act, 1974(Maharashtra LV of 1974)I/We.....the Foreman/Foremen of the chit, the by-laws of which have been registered bearing registration number of 19 ... in the office of the Registrar of certify that 1/We have furnished to every subscriber of the chit a copy of the by-laws of the chit and a copy of the chit agreement duly certified by me/us to be true copies. The copies were furnished to each of the subscribers onThe date of obtaining the certificate of commencement granted under sub-section (2) of section 8 isThe first draw of the chit was held onStation :Date :Signature of the Foreman.Form V(See rule 16)Application for substitution of the security given by Foreman under section 13 of the Maharashtra Chit Funds Act, 1974(Maharashtra LV of 1974)

1. Name of Foreman
2. Age and occupation if the Foreman is not a firm or a Corporation.
3. The office in which the by-laws of the chit have been registered and the number and year of registration
4. Chit amount Rs.
5. Details regarding the original security.
6. Details of all movable and immovable properties belonging solely to the applicant.
7. Whether the applicant has any debt and if so, the amount of any such debt and to whom they are due.
8. Details of money or Government securities offered as substituted security.

I hereby declare that the information and particulars furnished herein are true and correct to the best of my knowledge and belief.

Station : Signature of Foreman.

Date : Decision of Registrar.

Seal Signature of Registrar.

Form VI(See rule 21)Register of subscribers to be maintained under section 16 of the Maharashtra Chit Funds Act, 1974(Maharashtra LV of 1974)Office where the by-laws of the chit are registeredThe registration number and year of registration of by-laws of the chit

Sr. No. according to chit agreement	Name and full address of the subscriber	Date of signing the chit agreement	Date of receipt of the copy of the chit agreement by the subscriber	Chit subscriber Number of tickets	Amount
(1)	(2)	(3)	(4)	(5)	(6) Rs.

Assignment

Name and address of the assignee	Date of assignment	Number of fraction of tickets	Amount	Date on which the Foreman recognised the assignment
(7)	(8)	(9)	(10)	(11)
			Rs.	

Substitution

Reason for the removal of subscribers	Date of removal	Name and address of the substituted subscriber	Date of substitution	Number and fraction of tickets	Amount	Date of intimation of the substitution to the removed subscriber	Remarks
(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)
					Rs.		

Form VII(See rule 21)Ledger to be maintained under section 16 of the Maharashtra Chit Funds Act, 1974(Maharashtra LV of 1974)Office where the by-laws of the chit are registeredRegistration number of by-laws of the chitSection I - Receipts and payments in respect of subscriber-Number of subscriberName of subscriberNumber of tickets takenChit amount Rs.Ledger

Date	No. of instalment	On what account received or paid by the Foreman	Amount of subscription for each instalment	Dividend due to the subscribers for each instalment
(1)	(2)	(3)	(4)	(5)
			Rs.	

Amount paid by subscribers	Amount received back by subscriber	General No. in the day book	Signature of the Foreman	Remarks
Share amount	Interest	Subscriber		
(6)	(7)	(8)	(9)	(10) (11) (12)
Rs.	Rs.	Rs.		

Section II. - Deposit and withdrawal account of the Foreman.Office where the by-laws of the chit are registered.Registration number of the by-laws of the chit.Name of the Bank in which money is deposited.

Date	For what purpose deposited or withdrawn	Amount deposited	Interest accruing	Balance after each transaction
(1)	(2)	(3)	(4)	(5)
		Rs.	Rs.	Rs.

Amount withdrawn	Balance	Number in the day book	Signature of the Foreman	Remarks
(6)	(7)	(8)	(9)	(10)
Rs.	Rs.			

Form VIII(See rule 21)Day book to be maintained under section 16 of the Maharashtra Chit Funds Act, 1974(Maharashtra LV of 1974)Office where the by-laws of the Chit are registeredRegistration number of the by-laws of the chitDay Book

Date	General No.	On what account received or paid	Receipts			
Subscription	Interest	Withdrawal from Bank	Other items	Total receipts		
(1)	(2)	(3)	(4)	(5)	(6)	(7) (8)
			Rs.	Rs.	Rs.	Rs. Rs.
Reference to receipt in the receipt book		Expenditure				
Amount paid to subscriber		Foreman's commissions	Deposit in the bank	Other items	Total Expenditure	
(9)		(10)	(11)	(12)	(13)	(14)
		Rs.	Rs.	Rs.	Rs.	Rs.
Balance	Reference to the page No. of the voucher in the file of vouchers			Signature of Foreman		Remarks
(15)	(16)			(17)		(18)

Note. - (1) The balance should be struck in column (15) at the close of each day. The monthly total receipts and expenditure shall be struck at the end of each month. (2) In column (2) such transaction shall be assigned a serial number. There shall be one separate set of serial numbers for each calendar year. (3) If any amount is received from or paid to more than one subscriber at a time the amount paid to or received from each subscriber should be entered as a separate item. (4) If more than one amount is received from or paid to the subscriber at a time each amount paid to or received from the subscriber should be entered as a separate item. Form IX (See rule 21) Receipt book to be maintained under section 16 of the Maharashtra Chit Funds Act, 1974 (Maharashtra LV of 1974) Receipts Serial number Original Duplicate Received from to the credit of the amounts detailed below in respect of the chit under registered [by-laws number] [Substituted by G.N. of 6.10.1977.] of 19.....

Payment for current instalment Rs. P.

Arrears of subscription (with details)

Penalty for overdue subscription

Fees for inspection of records

Other receipts (to be specified)

Total

(In words Rupees..... paise.....) Date Foreman. Form X (See rule 24) Balance sheet to be prepared and filed under section 17 of the Maharashtra Chit Funds Act, 1974 (Maharashtra LV of 1974)

Office where the by-laws of the chit are registered. Registration number and year of the by-laws of the chit.

Date on which the balance sheet was prepared. Name of Foreman.

Number of instalment conducted till date of balance sheet. Chit amounts.

Number of instalments.

I. Receipts and Expenditure

Receipts	Current Year	Total including previous years	Expenditure	Current Year	Total including previous years
	Rs.	Rs.		Rs.	Rs.
Subscriptions paid by the prized and			Prize amounts		
1. non-prized subscribers including the Foreman.			1. disbursed to prized subscribers.		
2. Receipts under dividend.			2. Interest paid to subscribers.		
3. Interest realised from the subscribers.			Amounts paid to		
			3. defaulter non-prized subscribers.		
Contributions by substituted or assignee			Amount contributed by		
4. non-prized subscribers in respect of dues of defaulters.			4. Foreman for payment of the prize amount.		
Any other amount					
5. received from subscriber.			5. Foreman's Commission.		
Amount contributed by the Foreman for			Amounts on account of		
6. payment of prize amount.			6. interest realised for delayed payments and forfeited dividend.		
7. Interest accrued from investments			7. Dividend paid.		
8. Other Items (details to be annexed)			8. Other Items (details to be annexed)		
			Total expenditure		
9. Investments withdrawn.			9. Investment made.		
Grand Total			Grand Total		

II. Statement of Assets and Liabilities

Assets	Rs.	Ps.	Liabilities	Rs.	Ps.
1. Amounts due on account of arrears of subscription due from prized			1. Amount paid by non-prized subscribers (including dividends).		

subscribers.

Amounts due from the subscribers	Amounts due to non-prized defaulter subscribers.
2. including the Foreman towards future subscriptions.	2.
3. Interest due from defaulter subscribers.	3. Arrears of prize amount due to prized subscribers.
4. Investments in bank (including interest therein).	4. The amount due to the Foreman towards contributions made by him for payment of prize amount.
5. Other items (details to be annexed).	5. Other items (details to be annexed).
Total	Total

III. Details of Investments

Receipt	Rs. Ps.
1. Investment made on account of the failure on the part of prized subscribers to receive the prized amount due to them.	
2. Investment made on account of lump-sum collection made from defaulter prized subscribers.	
3. Amount deposited for payment to non-prized defaulter subscribers.	
4. Investments on account of other items of receipts of the chit (details to be annexed).	
Total	

IV. Assessment of Value of Investment

	Rs. Ps.
1. Investment in Pass Book Account Numbers.	
*Amount due from the future instalments of the chit as per bonds, etc., obtained for.....	
2. instalments of the chit including the arrears of Rs. due on account of defaulting instalments from defaulters.	
3. Balance of contributions due from the Foreman on account of prize amount received by him.	
Total	

Note. - To facilitate audit of balance sheets, the following statements of details should be annexed by the Foreman to the balance sheet - (i) statement of details of receipts and expenditure for each instalment, (ii) of disbursement, (iii) of the prize amount in respect of each of instalment, and (iv) statement of details of arrears due on the date of the preparation of the balance sheet from the prized and non-prized subscribers.* Particulars of documents to be entered here. Security offered by the Foreman, hypothecation bonds, etc., executed under section 13 of the Act, and hypothecation bonds, etc., obtained from the prized subscribers under section 24 of the Act. V. Profit and Loss Accounts

	Rs. P.	Rs. P.
1. Salaries and allowances.		1. Rent.

- | | |
|---|--|
| 2. Rents, taxes and lighting. | 2. Net profit on sale of investments. |
| 3. Law charges. | 3. Net profit on revaluation of investments. |
| 4. Postage, telegrams, telephone and stamps. | 4. Chit commission. |
| 5. Registration of by-laws, security bond. | 5. Interest realised from defaulted subscribers. |
| 6. Filing of chit agreement, filing of minutes audit fees, etc. special fee for auditing at Foreman's premises. | 6. Interest on deposits made on behalf of prized subscriber who failed to furnish sufficient security. |
| 7. Stationery, printing, advertisement, notice charges. | 7. Other receipts. |
| 8. Other expenses. | |
| 9. Net profit. | |

VI. Certificate by Foreman I certify that this Balance Sheet has been prepared correctly and that it contains a true and complete statement of the affairs of the chit. Date : Name of Foreman and his signature.

VII. Certificate by Auditor Certified that I have examined the chit books and records maintained in respect of the chit the by-laws of which have been registered in as Number 19 conducted by Foreman and have verified the entries in the balance sheet with accounts. The balance sheet is drawn up in conformity with the provisions of the Maharashtra Chit Funds Act, 1974 and the rules framed thereunder. Date : Name and signature of the Auditor.

Appendix II (See rules 4 and 39) Levy of fees under section 55 of the Maharashtra Chit Funds Act, 1974 (Maharashtra LV of 1974) Table of Fees

	Rs. P.
1. For the registration of a chit and its by-laws under section 4.	25.00
2. For filing a chit agreement under sub-section (1) of section 7.	0.25
3. For issue of certificate of commencement of chit business under sub-section (2) of section 8.	1.00
4. For filing a copy of the minutes of the proceedings under section 12.	0.50
5. For every application for registration of amendment to or cancellation of a by-law of a chit under sub-rule (2) of rule 8.	3.00
6. For every appeal under sub-section (3) of section 21 or an application to the officer empowered by the State Government under sub-section (2) of section 27.	3.00
7. A fee of rupee one shall be levied in each case for filing with the Registrar, -	
(a) a copy of each entry relating to the removal of defaulting subscriber under sub-section (2) of section 21;	
(b) a true copy of each entry relating to the substitution of a subscriber under sub-section (2) of section 22;	
(c) a true copy of entry relating to transfer of the rights of Foreman under section 30;	
(d) a true copy of entry relating to transfer of non-prized subscriber's rights under section 30;	
(e) a true copy of assent of non-prized subscribers and unpaid prized subscribers for	

withdrawal of a Foreman under section 34;

(f) a true copy of consent of all non-prized or unpaid prized subscribers to the termination of chit under section 34;

(g) each copy of winding up order under sub-section (1) of section 48;

(h) each petition protesting against or objecting to the orders passed or proposed to be passed by the Registrar.

8. For the audit of each balance sheet under section 17 or the audit of accounts under sub-section (3) of section 17 by the Chit Auditor and for issue of audit certificate in respect of each chit -

(a) when the chit amount does not exceed Rs. 500 5.00

(b) when the chit amount exceeds Rs. 500 for the first Rs. 500 as under sub-clause (a) and for every Rs. 500 or part thereof in excess of Rs. 500 subject to the maximum of Rs. 25. The fee leviable under this clause shall not exceed Rs. 25. 2.50

9. If the balance sheets are audited under section 17 or the chit books and records inspected by the Registrar or any officer authorised by the Director under section 39, or the accounts books and other records of the chit audited by the Chit Auditor under sub-section (3) of section 17 at the premises of the Foreman or outside the office of the Registrar, for each such audit or inspection in addition of the fee, if any, payable under clause 8. 15.00

10. For inspection of one or more records relating to a chit under clause (a) of section 54 for each inspection.

11. For every 125 words or fraction thereof of a copy or extract of the records relating to a chit furnished under clause (b) of section 54. 0.25

12. For every appeal to the Director under section 56. 5.00