

Government of Jammu and Kashmir
Finance Department
Civil Secretariat, Srinagar/Jammu

NOTIFICATION

The 10th of August, 2026

S.O. 221 : In exercise of the powers conferred by Section 89 of the Chit Funds Act, 1982 (Central Act, 40 of 1982), the Government of Jammu and Kashmir, in consultation with the Reserve Bank of India, hereby makes the following rules; namely: -

CHAPTER - I

PRELIMINARY

1. Short title and commencement:-

- (i) These rules may be called the Jammu and Kashmir Chit Funds Rules, 2026.
- (ii) They shall come into force from the date of their publication in the Official Gazette.

2. Definitions:- (1) In these rules, unless the context otherwise requires,-

- (a) "Act" means the Chit Funds Act, 1982 (Central Act 40 of 1982);
- (b) "Appendix" means Appendix-I or as the case may be, Appendix-II appended to these rules;
- (c) "Authorized agent" means a person duly authorized by a power-of-attorney executed and registered under the provisions of Registration Act, 1908 (Central Act XVI of 1908) or a person authorized by a letter of authorization specified in Form XX by the person concerned;
- (d) "Form" means a Form in Appendix I appended to these Rules;
- (e) "Government" means the Administrator appointed by the President under article 239 of the Constitution in terms of section 2(q) of the Chit Funds Act, 1982
- (f) "Section" means a Section of the Act;

- (2) Words and expressions used in these Rules, but not defined therein shall have the same meanings respectively assigned to them in the Act.

CHAPTER - II

REGISTRATION

3. Application for obtaining previous sanction for commencement or conduct of Chit:-

Every application for obtaining previous sanction of the Government or the officer empowered by it in this behalf, for commencement or conduct of a chit shall be made, by the foreman in Form-I. The Government or the Officer empowered may issue the order of previous sanction in Form - IB.

4. Communication of the 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 applicant.
- (2) Before refusing such sanction, the Government shall issue a notice to the foreman calling upon him to show cause within a reasonable period to be stipulated in such notice why sanction be not refused.
- (3) Where the ground for the proposed refusal of such sanction is default in payment of fees or filing of any statement or record required to be paid or filed under the Act, the Government may condone the said default, if it is satisfied on hearing the foreman that the default has occurred due to reasons beyond his control or due to other bonafide reasons, provided the foreman has paid the fees or filed the necessary documents on or before the date of such hearing.

5. Application for registration of 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-III.

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. Communication of the refusal to register a Chit:-

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- (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 to the applicant.
 - (2) Before refusing the registration, the Registrar shall issue a notice to the foreman calling upon him to show cause within a reasonable period to be stipulated in such notice why registration be not refused.

- (3) Where the ground for the proposed refusal of registration is default in payment of fees or filing of any statement or record required to be paid or filed under the Act, the Registrar may condone the said default, if the Registrar is satisfied, on hearing the foreman that the default has occurred due to reasons beyond the control of the foreman or due to other bonafide reasons, provided the foreman has paid the fees or filed the necessary documents on or before the date of such hearing.

9. Application for appropriation of any sum from Reserve Fund:-

Every application for obtaining prior approval of the Registrar for appropriation by a company of any sum from the reserve fund shall be in Form IV.

10. Declaration to be filed about subscriptions 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.

11. Form of Certificate 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 a 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.

12A. Copies of chit agreement and Byelaws to be given to the subscribers and acknowledgements to be filed with Registrar:-

After the chit agreement is signed by the subscriber or by any person authorized in writing by the subscriber in his behalf, the foreman shall supply a true copy of the chit agreement along with a copy of its bye-law, certified as such by him to such subscriber or person authorized by the subscriber who shall acknowledge the receipt of the same and the foreman shall file the acknowledgements with the Registrar concerned within fourteen days of the first drawing of the chit.

12B. Issue of pass book to the subscriber by the foreman:-

The foreman shall issue a pass book to each subscriber duly attested by the Registrar concerned with official seal. Provision for entries shall be made and it shall contain the full details of the dividend, the amount that is available with the foreman for distribution of dividend in the last draw, and the share of the subscriber. The foreman shall obtain the signature of the subscriber concerned against each entry made in the pass book.

13. Form of Chit agreement:-

The Chit agreement of every chit started under the Act shall, as far as may be, conform to the proforma set forth in Form VIII.

14. Registration of alteration, addition or omission of Chit agreement:-

- (1) No alteration, addition or omission of any provision in the chit agreement shall have effect unless such alteration or addition or omission, as the case may be, is registered. If the foreman makes any alteration or addition or omission of any provision in the Chit agreement, he shall submit such alteration or addition or omission 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 omission, as the case may be, of the Chit agreement.
- (2) An application to register an alteration of or addition to or omission of any provision in the chit agreement shall be dealt with in the same manner as an application for registration of the chit agreement.

15. Date of effect of alteration or addition or omission of any provision in the chit agreement:-

An alteration of or addition to or omission 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 omission 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 in 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 a chit 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.

16A. Communication of a list of Non-Prized Subscribers after the auction:-

A list showing the names of all the non-prized subscribers of a chit shall be sent to each subscriber by the foreman by a letter within ten days after the auction or draw and it should contain the following particulars:

- (a) How the dividend is utilized and how much dividend is available for distribution;
- (b) who are the prized and non-prized subscribers;
- (c) the date, time, and place of next draw.

The acknowledgement obtained from each subscriber should be filed in a separate file.

17. (1) 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 sub-section (2) of Section 22 since the date of 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 a ticket, particulars in respect of each such fraction shall be entered;
- (e) Full particulars of the commission, or remuneration for meeting the expenses of the Chit paid to the foreman and the amount of dividend assigned to each subscriber;
- (f) Names of subscribers or their authorized agents who bid the draw, their ticket numbers and signatures.

(2) Rate of interest payable by the defaulting subscriber and the duty of foreman on receipt of subscription:-

Every subscriber who defaulted in payment of installments in time as per the chit agreement, shall pay the interest @ 12% per annum on the amount so payable to the foreman and the foreman shall pay the amount of dividend of each draw even to the defaulted subscriber as and when the subscriber pays the defaulted subscription.

(3) No agent or representative of the foreman or the family members of his family shall act as agents:-

No agent or representative of the foreman or the members of his family shall act as agent of subscriber for the purpose of participation in a chit auction. However, a subscriber can appoint an agent in writing who can represent only one subscriber in each auction.

CHAPTER - III

18. Procedure in the case of security given by the foreman:-

- (1) In case of cash deposited in an approved bank in the name of the Registrar under clause (a) of sub-section (1) of section 20, the receipt or the book issued by the approved Bank mentioned in the chit agreement shall be delivered to the Registrar.

- (2) In case of Government securities transferred in favour of the Registrar under clause (b) of sub-section (1) of the section 20, the Registrar shall keep them in safe custody under his control in any Government Treasury.
- (3) If the security charged is movable property other than deposit in an approved bank or Government securities, the foreman shall make all necessary arrangements for their deposit with the Registrar or with such bank or other agency as may be approved by the Registrar for ensuring that the property deposited is available as security for the proper conduct of a chit.
- (4) In the case of trustee securities to be transferred in favour of the Registrar under clause (c) of sub-section (1) of Section 20.
- (i) where the security is other than immovable property, the value of the security shall not be less than one and a half times the value of the chit amount, and
 - (ii) in respect of security of immovable property, the value of the security shall not be less than two times the value of the chit amount.
- (5) A foreman of chit proposing to give (movable or immovable property as security for the proper conduct of a chit shall apply to the Registrar in Form-X. The application under this sub-rule shall clearly furnish the correct and complete information regarding the property offered as security. In case the property offered is immovable property, the application shall be accompanied by the documents of title to the property and an encumbrance certificate for 30 years relating to the property.
- (6) Where the immovable property offered as security is situated outside the jurisdiction of the Registrar having jurisdiction over the chit, the inspection of the property shall where the property is situated outside the Union territory of Jammu and Kashmir, be made and report sent by the Registrar having jurisdiction over such property under an order special or general of the Government to which he is subordinate, who shall forward a report to the Registrar concerned as to the sufficiency of the security.
- (7) If the security offered is accepted as sufficient by the Registrar, he shall record in writing on the application, a certificate of sufficiency in Form-XI and attach a statement of valuation made.
- (8) If the security offered is not accepted by the Registrar, he shall give the applicant an endorsement to that effect.

19. Valuation of chit amount in grain chits:-

In a grain chit, for the purpose of security under Section 20, the grain shall be valued by the Registrar as follows:

- (a) The total quantity of grain due from all subscribers at one instalment of the chit shall be ascertained;

- (b) The market value for the time being of the total quantity referred to in clause(a) shall then be calculated;
- (c) In assessing the market value, the Registrar shall adopt the current market prices at the nearest Tehsil town as ascertained from the Tehsildar having jurisdiction;
- (d) One and a quarter times the market value mentioned in clause (b) shall be taken to be the chit amount for the purpose of furnishing security by the foreman under sub-section (1) of Section 20.

20. Substitution of security:-

- (1) During the currency of a chit, the foreman may apply to the Registrar in Form XII for permission to substitute the security given by him for the proper conduct of the chit by fresh security.
- (2) The Registrar may grant permission after satisfying himself;
 - (i) that the request of the foreman for substitution of security given under Section 20 is for the reasons stated in the application; and
 - (ii) that the fresh security offered is adequate.
- (3) The procedure prescribed in Rule 18 shall apply mutatis mutandis to the substituted security given by the foreman under this rule.

21. Release of original security in the case of substitutions:-

- (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 in return the securities offered by the foreman after taking endorsements of re-transfer in the pass book (receipt) or Government security (or other record), as the case may be.
- (3) If the original security to be returned is movable property other than Government security, the Registrar shall arrange to return such security by executing such deed or making such endorsement as may be necessary for an effective retransfer in favour of the foreman.

22. Application for release of security:-

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

23. Declaration by foreman:-

The application for release of security under sub-section (5) of Section 20 shall contain a declaration separately signed by the foreman stating that the 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 fully paid.

24. Procedure for release of security:-

- (1)
 - (a) The Registrar may for the purpose of releasing the security under sub section (5) of Section 20 call upon the foreman to produce a copy duly certified to be a true copy of any register and books 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, together with interest, if any, accrued therein and remaining unpaid.
- (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)(a) and record his decision in writing and forward a copy thereof to the foreman and to the objector.
- (3) The procedure prescribed in Rule 21 for re-transfer of property by the Registrar shall apply mutatis mutandis to the release of security made under this Rule.

25. Books of Accounts to be maintained by the foreman:-

In addition to the book of minutes of draws mentioned in Section 17, every foreman shall keep the following registers and books of accounts in the Forms mentioned, against each or in the Forms as near thereto as possible.

- (1) Register of subscribers in Form XIII;
- (2) A ledger in Form XIV;
- (3) A Day book in Form XV;
- (4) A Receipt Book in Form XVI, 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 letters of authorization of the subscribers, for subscribing his name in the chit agreement and for participating in the auction of the chit;

- (7) A file containing the vouchers for payment made by the foreman;
- (8) A file containing documents relating to securities offered by the prized subscribers.

26. Accounts to be written up promptly:-

- (1) Every entry in the Register of subscribers, the Ledger or the Day book mentioned in Rule 25 shall be made as and when the particular event occurs.
- (2) On receipt of any money, a receipt shall immediately be prepared or cause to be prepared by the foreman in Form XVI and delivered to the payer.
- (3) The foreman shall at the time of issuing every notice, prepare a copy thereof in the book mentioned under clause (5) of Rule 25, certify it to be a true copy and enter therein under his signature, the date of dispatch of the notice.
- (4) Every document relating to the security given by the prized subscribers shall, as soon as it is received, be filed in the file mentioned in clause (8) of Rule 25. The file shall contain an index for facilitating the scrutiny of the documents.

27. 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 25 after assigning a serial number thereto for each calendar month.

28. Date for submission of Balance sheet:-

- (1) The balance sheet prepared in accordance with the provisions of Section 24 shall be filed with the Registrar within a period of three 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 the 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 the 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

individual chit audited by him as early as possible. On receipt of the application, the chit auditor on such date, time and place as he may fix, 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 the individual chit at the time and place fixed by the chit auditor.

- (3) In case the chit auditor feels doubt, as to the running of chits by the foreman he may audit all the records, including profit and loss accounts and receipts and expenditure accounts of each individual chit, at any time by giving a prior notice to the foreman if practicable.
- (4) 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 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. He shall furnish 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:-

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- (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 certificate and 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 expiry of the period with reference to which the balance sheet is 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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CHAPTER - IV

WINDING UP OF CHITS

32. Form of petition for winding up and presentation:-

A petition for winding up of a chit shall contain the following particulars, namely:

- (1) Full name, description, occupation and address of the petitioner;
- (2) Address of his advocate, if any for the services of all notices, process, etc.,

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- (3) Address of the foreman;
 - (4) Particulars of the chit;
 - (i) number and date of registration of the chit agreement;
 - (ii) office where the chit agreement was 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 non-prized subscribers on the date of the petition; and
 - (vii) the number of unpaid prized subscribers, if any.
 - (5) Facts on which the petitioner relies in support of the petition.
 - (6) Particulars relating to the award 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 an award or order of the Registrar in favour of any subscriber 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 49 is satisfied, if the winding up of the chit is applied for under clause (d) of Section 48.
 - (8) Whether the previous sanction of the Government has been obtained, if clause (b) of the proviso to section 49 applies (a copy of the relevant order of the Government shall be attached).

33. Proposals for collection and distribution of chit assets:-

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- (1) The Receiver shall, as soon as possible, settle and submit to the Registrar 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 the subscribers and other persons to whom moneys are due from 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 receiver in such manner as the Registrar may direct. If the number of persons on whom notice is to be served is large, the notice may, in the discretion of the Registrar, 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 Registrar in this behalf; and
- (ii) to appear in person or by an advocate on the date of hearing with all the evidence in support of his objections.

34. 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 be allowed the benefit of set-off.

35. Hearing of objections to the provisional statement:-

On the date fixed for the hearing of the objections under sub-rule (2) of Rule 33, the Registrar shall enquire into the objections and after considering the evidence, if any adduced in support thereof pass orders on the objections and call upon the receiver to revise, if necessary, the provisional statement in accordance with his orders. The Registrar shall fix a date by which 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.

36. Final orders of settlement by Registrar:-

- (1) As soon as possible thereafter and at least ten days before the date fixed under Rule 35, the Receiver shall submit to the Registrar 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 Registrar shall thereupon consider the said list and proposals and approve or modify them in such manner as he considers necessary. The Registrar shall pass final orders accordingly on the date fixed under Rule 35 for the collection and distribution of the Chit assets. The Registrar 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 the sums which have to be paid to the subscribers.
- (2) The final orders passed by the Registrar under this rule shall be conclusive evidence of the several claims to be met out of the chit assets.

37. 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 Rule 36.

38. Filing of Final accounts by Receiver:-

- (1) Upon the termination of the proceedings relating to the winding up, the Receiver shall file his final accounts with the Registrar within fifteen days of such final accounts being passed by the Registrar and the balance of money in the hands of the Receiver shall be paid to the Registrar. The Receiver shall also state how the balance amount may be disposed of together with the reasons for his proposals. He shall also deposit with the Registrar all books, accounts and all other records relating to the chit which has been wound up.
- (2) The Receiver may, thereafter apply to the Registrar 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 Registrar may pass orders of such discharge and vacating of the bonds and for disposal of the final balance of the chit assets, if any.

39. Final order of winding up by the Registrar:-

- (1) After the affairs of a chit have been completely wound up, the Registrar shall make an order recording the fact of such winding up.
- (2) A copy of such order shall be exhibited on the notice board of the Registrar.

40. 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 Registrar may direct.

41. Meetings:-

When the number of subscribers is large and the Registrar, whether on an 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 Registrar may pass an order for holding such a meeting. The Registrar 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

42. Table of Fees:-

The fees payable to the Registrar for matters specified in Section 62 and Section 63 shall be as set out in Appendix-II and shall be paid in cash/cashless/digital modes.

43. Receipt for fees:-

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

44. 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 fees paid in connection with the registration of the chit agreement, 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

DISPUTES AND ARBITRATION

45. Reference of dispute:-

A reference of a dispute under Section 64 shall be made in writing to the Registrar in Form XVII. Wherever necessary, the Registrar may require the party referring the dispute to him to produce a certified copy of the relevant records on which the dispute is based and such other statements or records as may be required by him before proceeding with the consideration of such reference.

46. Registrar's satisfaction regarding existence of a dispute:-

Where any reference of a dispute is made to the Registrar or any matter is brought to his notice, the Registrar shall, on the basis of the reference (if any) made to him in Form XVII and the relevant records and statements submitted to him, record his decision together with the reasons therefor, whether he is or is not satisfied about the existence of a dispute within the meaning of Section 64. Such recording of decision shall be sufficient proof of the Registrar's satisfaction whether the matter is or is not a dispute, as the case may be.

47. Disposal of a dispute or reference to a nominee:-

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- (1) Where the Registrar is satisfied that there is a dispute, the Registrar may decide himself or refer it to his nominee, for disposal.
 - (2) Neither the Registrar nor his nominee shall take up for consideration any dispute, unless the parties concerned comply with the condition of affixing the court fees specified in Rule 57 of these rules for determining the dispute.

48. Qualifications for appointment as Registrar's nominees:-

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- (1) The Government or the Registrar of Chits may appoint a person to be a Registrar's nominee provided that,-
 - (a) he has practiced as an Advocate, Pleader or Vakil for not less than five years; or
 - (b) he is enrolled as an advocate or holds a degree or other qualification in law of any university established by law or of any other authority which entitles him to be enrolled as an Advocate; or

- (c) he has held office not lower in rank than that of Sub-Registrar of Chits / Assistant Registrar of Chits for not less than five years; or
 - (d) he possesses good knowledge and experience of chit fund legislation and practice.
- (2) The Government or Registrar of Chits may by a notification in the Official Gazette, appoint as many persons as may be necessary to act as Registrar's nominees for settlement of disputes arising under the Act.

49. Procedure for hearing and decision of disputes:-

- (1) The Registrar or his nominee shall record either in English or in the official language of the Union Territory i.e., Kashmiri, Dogri, Hindi, or Urdu, the evidence of the parties to the dispute and the witnesses who attend. Upon the evidence so recorded, and upon consideration of any documentary evidence produced by the parties, a decision shall be given by him in writing. Such decision shall be pronounced in the open court, either at once or as soon as may be practicable on some future day, of which due notice shall be given to the parties.
- (2) Where neither party appears when the dispute is called out for hearing, the Registrar or his nominee may make an order that it be dismissed for default.
- (3) Where the opponent appears and the disputant does not appear when the dispute is called out for hearing, the Registrar or his nominee may make an order that the dispute be dismissed, unless the opponent admits the claims or a part thereof, in which case the Registrar or his nominee, as the case may be, may make an order against the opponent upon such admission, and where, only part of the claim is admitted, may dismiss the dispute in so far as it relates to the remainder.
- (4) Where the disputant appears and the opponent does not appear when the dispute is called out for hearing, then if the Registrar or his nominee is satisfied from the record and proceedings that the summons was duly served, the Registrar or his nominee may proceed with the dispute ex-parte. Where the summon is served by any officer of the Registrar or his nominee, he shall make his report of service on oath.
- (5) The Registrar or his nominee may not ordinarily grant more than two adjournments to each party to the dispute at his request. The Registrar or his nominee may, however, at his discretion grant such further adjournments on payment of such costs to the other side and such fees to the Registrar or his nominee, as the Registrar or his nominee, as the case may be, may direct.
- (6) Any party to a dispute may apply for and obtain a certified copy of any order, judgment or award made by the Registrar or his nominee on payment of fees, at the rate prescribed in Appendix-II.

50. Summons, notices, and fixing of dates, place etc., in connection with the disputes:-

- 
- (1) The Registrar or his nominee, as the case may be, may issue summons or notices at least fifteen days before the date fixed for the hearing of the dispute requiring:
 - (i) the attendance of the parties to the dispute, and of witness if any; and
 - (ii) the production of all books and documents relating to the matter in dispute.
 - (2) Summons or notices issued by the Registrar or his nominee may be served through the Tehsildar or any employee of the Chit Department or by registered post with acknowledgement due.
 - (3) The Officer serving summons or notice, shall in all cases in which summons or notice has been served, endorse or annex or cause to be endorsed on or annexed to, the original summons or notice, a return stating the time when, and the manner in which the summons or, as the case may be, notice was served, and the name and address of the person (if any) identifying the person served and witnessing the delivery or tender of the summons or the notices.
 - (4) The official issuing the summons or notice may examine the serving officer on oath or cause him to be so examined by the officer through whom it is served and may make such further enquiry in the matter as he thinks fit, and shall either declare that the summons or notice, as the case may be, has been duly served or order it to be served in such manner as he thinks fit.
 - (5) The mode of serving summons and notices as laid down in sub-rule (1) to (4) shall mutatis mutandis apply to the service of summons or notices issued by the Registrar or the person authorized by him, when acting under Section 46.

51. Investigation of claims and objections against any attachment:-



Where any claim or objection has been preferred against the attachment of any property under Section 68 on the ground that such property is not liable to such attachment, the Registrar, or his nominee, as the case may be, shall investigate into the claim or objection and dispose it of on merits.

Provided that, no such investigation shall be made if the Registrar or his nominee considers that the claim or objection is frivolous.

52. Procedure for the custody of property attached under Section 68:-

- (1) Where the property to be attached is movable property other than agricultural produce in the possession of the debtor, the attachment shall be made by actual seizure and the attaching officer shall keep the property in his own custody or in the custody of one of his subordinates, or of a Receiver, if one is appointed under sub-rule (2) and shall be responsible for the due custody thereof;

Provided that when the property seized is subject to speedy and natural decay, or when the expenses of keeping it in custody are likely to exceed its value, the attaching officer may sell it at once.

- (2) Where it appears to the officer ordering conditional attachment under Section 68 to be just and convenient, he may appoint a Receiver for the custody of the movable property attached under that Section and his duties and liabilities shall be identical with those of a Receiver appointed under Order XL in the First Schedule to the Code of Civil Procedure, 1908.
- (3)
- (i) Where the property to be attached is immovable, the attachment shall be made by an order prohibiting the debtor from transferring or charging the property in any way and all persons from taking any benefit from such transfer or charge.
 - (ii) The order shall be proclaimed at some place on, or adjacent to, such property by beat of drum or other customary mode, and a copy of the order shall be fixed on a conspicuous part of the property and upon a conspicuous part of the village/town Panchayat office, and where the property is land, which is being assessed for paying revenue to the Government, also in the office of the Deputy Commissioner of the District and in offices of the Additional Deputy Commissioner and the Tehsildar within whose Jurisdiction the property is situated.

53. Procedure for attachment and sale of property:-

The procedure laid down in Rules 51 and 52 shall mutatis mutandis apply for attachment and sale of property for the realization of any security given by a person in the course of execution proceedings.

54. Issue of proclamation prohibiting private transfer of property:-

The Registrar when acting under clause (a) of Section 71 shall, at the time of signing a certificate affecting any property, issue a proclamation in Form XVIII and in the case of immovable property shall also forward a copy of the proclamation to the Tehsildar or any other revenue officer within whose jurisdiction the property is situated, who shall cause an entry about such certificate to be made in the Record of Rights.

55. Procedure for execution of awards:-

- (1) Every order or award passed by the Registrar, or his nominee under Section 68 or 69 shall be forwarded by the Registrar to the foreman or to the party concerned with instructions that the foreman or, as the case may be, the party concerned should initiate execution proceedings forthwith according to the provisions of Section 71.
- (2) If the amount due under the award is not forthwith recovered, or the order thereunder is not carried out, it shall be forwarded to the Registrar with an application for execution along with all information required by the Registrar, for the issue of certificate under Section 71. The applicant shall state whether he desires to get it execute the award through a civil court or through the revenue authorities as provided under Section 71.

- (3) On receipt of such application for execution, the Registrar shall forward the same to the proper authority for execution along with a certificate issued by him under Section 71 and a proclamation issued under Rule 54 in the manner prescribed therein.
- (4) Every order passed in appeal under Section 70 shall also be executed in the manner laid down in sub-rules (2) and (3).

56. Transfer of property which cannot be sold:-

- (1) When, in execution of an order sought to be executed under Section 71, any property cannot be sold for want of buyers, if such property is in the possession of the defaulter or of some person on his behalf, or of some person claiming it under a title created by the defaulter subsequent to the issue of the certificate by the Registrar under clause (a) or (b) of the said Section, the officer conducting the execution shall as soon as practicable report the fact to the Court or the Deputy Commissioner or the Registrar as the case may be, and the judgement creditor applying for the execution of the said order.
- (2) On receipt of a report under sub-rule (1) the judgement creditor may within six months from the date of the receipt of the report or within such further period as may for sufficient reasons be allowed in any particular case by the Court or the Deputy Commissioner or the Registrar, submit an application in writing to the Court, the Deputy Commissioner or the Registrar, as the case may be, stating whether or not he agrees to take over such property.
- (3) On receipt of an application under sub-rule (2), notices shall be issued to the defaulter and to all persons known to be interested in the property, including those whose names appear in the Record of Rights as persons holding any interest in the property, about the intended transfer.
- (4) On receipt of such notice, the defaulter, or any person owning such property, or holding an interest therein by virtue of a title acquired before the date of the issue of a certificate under Section 71 may within one month from the date of the receipt of such notice, deposit with the Court or the Deputy Commissioner or the Registrar, for payment to the foreman a sum equal to the amount due under the order sought to be executed together with interest thereon and such additional sum for payment of costs and other incidental expenses as may be determined in this behalf by the Court or the Deputy Commissioner or the Registrar, as the case may be.
- (5) On failure of the defaulter, or any person interested, or any person holding any interest in the property, to deposit the amount under sub-rule(4), the Court or the Deputy Commissioner or the Registrar, as the case may be, shall direct the property to be transferred to the judgement creditor on the conditions stated in the certificate in Form XIX.
- (6) The Certificate granted under sub-rule (5) shall state whether the property is transferred to the judgement creditor in full or partial satisfaction of the amount due to him from the defaulter.

(7) If the property is transferred to the judgement creditor in partial satisfaction of the amount due to him from the defaulter, the court or the Deputy Commissioner or the Registrar, as the case may be, shall on the production by the judgement creditor of a certificate signed by the Registrar, recover the balance due in the manner laid down in Section 71.

(8) The transfer of the property under sub-rule (5) shall be effected as follows:-

(i) In the case of movable property:-

- (a) Where the property is in the possession of the defaulter himself or has been taken possession of on behalf of the Court or the Deputy Commissioner or the Registrar, it shall be delivered to the judgement creditor.
- (b) Where the property is in the possession of some person on behalf of a defaulter, the delivery thereof shall be made by giving notice to the person in possession directing him to give actual peaceful possession to the judgement creditor and prohibiting him from delivering possession of the property to any other persons.
- (c) The property shall be delivered to a person authorized by the judgement creditor to take possession on behalf of him.

(ii) In the case of immovable property:-

- (a) Where the property is growing or standing crop, it may be delivered to the judgement creditor before it is cut and gathered and the judgement creditor shall be entitled to enter on the land, and to do all that is necessary for the purpose of tending and cutting and gathering it;
- (b) Where the property is in the possession of the defaulter or of some person on his behalf or some person claiming under a title created by the defaulter subsequent to the issue of a certificate under Section 71, the Court or the Deputy Commissioner or the Registrar, as the case may be, shall order the delivery to be made by putting the judgement creditor or any person whom he may appoint to receive delivery on his behalf in actual possession of the property and if need be, by removing any person who illegally refuses to vacate the same.
- (c) Where the property is in the possession of a tenant or other persons entitled to hold the same by a title acquired before the date of issue of a certificate under Section 71, the Court or the Deputy Commissioner or the Registrar as the case may be, shall order delivery to be made by affixing a copy of the certificate of transfer of the property to the judgement creditor in some conspicuous place on the property and proclaiming to such person by beat of drum or other customary mode at some convenient place that the interest of the defaulter has been transferred to the judgement creditor.

- (9) The judgement creditor shall be required to pay expenses incidental to sale including the cost of maintenance of livestock, if any, according to such scale as may be fixed by the Registrar from time to time.
- (10) Where land is transferred to the judgement creditor under sub-clause (a) of clause (ii) of sub-rule (8) before the growing or standing crop is cut and gathered, the judgement creditor shall be liable to pay the current year's land revenue on the land.
- (11) The judgement creditor shall forthwith report any transfer of property under sub-clause (b) or (c) of clause (ii) of sub-rule (8) to the Village Assistant for information and entry in the Record of Rights.
- (12) The judgement creditor to whom property is transferred under sub-rule(5) shall maintain for each such defaulter a separate account showing all the expenses incurred including payment to outside encumbrances, land revenue and other dues on the property and all the income derived from it.
- (13) The judgement creditor to whom property is transferred under sub-rule (5) shall use his best endeavor to sell the property as soon as practicable to the best advantage of the foreman as well as that of the defaulter, the first option being always given to the defaulter who originally owned the property. The sale shall be subject to confirmation by the Registrar. The proceeds of the sale shall be applied to defraying the expenses of the sale and other expenses incurred by the judgement creditor and referred to in sub-rules (9) and (12) and to the payment of the arrears due by the defaulter under the order in execution, and the surplus (if any), shall then be paid to the defaulter.
- (14) Until the property is sold, the judgement creditor to whom the property is transferred under sub-rule (5) shall use his best endeavors to lease it or to make any other use that can be made of it so as to derive the largest possible income from the property.
- (15) When the judgement creditor to whom property is transferred under sub-rule (5) has realized all his dues, under the order in execution of which the property was transferred, from proceeds of management of the property, the property, if unsold, shall be restored to the defaulter.

57. Payment of fees for decisions of disputes:-

- (1) The Registrar or his nominee, as the case may be, on an application in Form XVII and on payment of fees by way of Court fee stamps prescribed therefor in Appendix II may take a dispute on file.
- (2) No documents of any kind specified below shall be filed before the Registrar or his nominee unless it is affixed with proper Court fee stamps as specified below:

Document	Proper Court Fee (Rs.)
(i) Vakalatnama	Rs. 2.00

Document	Proper Court Fee (Rs.)
(ii) Application for adjournment	Rs. 10.00
(iii) Application for interim stay or relief	Rs. 25.00

Provided that, in case of non-availability of Court fee stamps or as directed by the Registrar, in writing, the proper Court fee shall be paid in cash for the purposes of this rule.

- (3) (a) The Registrar or his nominee deciding any dispute may require the party or parties to the dispute to deposit such sum as may in his opinion be necessary to meet the expenses including payment of fees to the Registrar or his nominee, as the case may be.
- (b) The Registrar or his nominee shall have power to order the fees and expenses of determining the dispute to be paid by the foreman out of his funds or by such party, or parties to the dispute, as he may think fit, according to the scale laid down by the Registrar, after taking into account the amount deposited as above.
- (c) The Registrar may, by general or special order, has to specify the scale of fees and expenses to be paid to him or his nominee.

CHAPTER - VII

MISCELLANEOUS

58. Appeal to be in writing:-

- (1) An appeal under Section 70 or under sub-sections (1) and (2) of Section 74 shall be in writing and shall be either presented in person or sent by registered post to the Government or to such officer or authority (hereinafter referred to as the appellate authority) as may be empowered by notification in the official Gazette by the Government in that behalf.
- (2) The appeal shall be in the form of a memorandum accompanied by fee by way of Court Fee Stamps prescribed in Appendix II. In case of non-availability of Court fee stamps or as directed, in writing, by the Government, or the Officer or Authority, as the case may be, the person preferring an appeal shall pay the Court fee in cash.
- (3) Every appeal shall:
 - (a) specify the names and addresses of the appellant as well as the respondent;
 - (b) state by whom the order appealed against was made;
 - (c) set forth concisely the grounds of objections;
 - (d) state precisely the relief which the appellant claims; and

- (c) give the date of the order appealed against.

59. Hearing and disposal of appeal:-

- (1) On receipt of the appeal, the appellate authority shall as soon as possible examine it and ensure that -
- (a) the appeal memorandum is affixed with Court fee stamps of the value specified in rule 58(2);
 - (b) the person presenting the appeal has the locus standi to do so;
 - (c) it is made within the specified time limit; and
 - (d) it conforms to all the provisions of the Act and the Rules
- (2) In the proceedings before the appellate authority, the appellant and the respondent may be represented by an agent holding a power of attorney or by a legal practitioner.
- (3) The appellate authority, on the basis of the enquiry conducted and with reference to the records examined, pass such order on appeal as may deem just and reasonable.
- (4) Every order of the appellate authority under sub-rule (3) shall be in writing and it shall be communicated to the parties concerned and the Registrar.

60. Period of retention of records by the Registrar:-

The records of a chit including registers and books of account shall be preserved in the Office of the Registrar for eight years,-

- (a) from the date of release of the 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 cases dealt within Chapter X of the Act and if orders passed under that Chapter are appealable from the date of disposal of the appeal.

61. 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.

62. Compounding of offences arising under the Act:-

- (1) Any officer empowered by the Government shall issue a show cause notice before taking any action under Section 76 or Section 77 of the Act against any person who has committed or is reasonably suspected to have committed any offence under the Act or Rules made thereunder, asking him to show cause within a period of fifteen days, why action under the said Section 76 or under Section 77 of the Act, as the case may be, should not be taken against him.

(2) Notwithstanding anything contained in the said provisions,-

- (i) any officer empowered by the Government to compound any offence committed under the Act or reasonably suspected to have committed any offence under the Act may and rules made thereunder compound the said offence committed by any person, either before or after the institution of the criminal proceedings under the Act.

Provided that a proposal by such officer to compound the offence is approved by an officer authorized by the UT Government in this behalf

- (ii) On approval of the said proposal by the authorized officer referred to above, the officer empowered to compound the offence shall send an intimation in writing in that behalf to that person specifying therein -
- (a) a sum determined by way of composition not exceeding the amount of fine prescribed for the relative offence;
- (b) the date on or before which the sum shall be paid.

63. Rate of interest payable by a defaulting subscriber:-

The rate of interest payable by a defaulting subscriber in pursuance of the proviso to sub-section (1) of section 28 of the Act shall not exceed twelve percent per annum.

64. Delegation of duties of the Registrar of Chits:-

The Registrar of Chits may delegate all or any of the duties vested in him under the Act to Officers notified under sub-section (1) of Section 61 of the Act.

65. Registers, records, books and periodicals to be maintained by the authorities under Chit Funds Act, 1982:-

The Registrar, to achieve uniformity all over the Union Territory, may prescribe from time to time the proformas for various registers, records, books and periodicals and the authorities under the Act shall scrupulously maintain these as prescribed.

By order of the Lieutenant Governor.

Sd/-

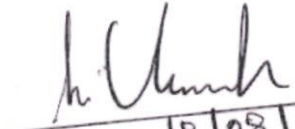
**(Shailendra Kumar) IAS
Financial Commissioner (ACS)
Finance Department**

No: FD-Bkg/58/2025-03

Dated: 10 .08.2026

Copy to the:

1. All Financial Commissioners (Additional Chief Secretaries).
2. Director General of Police, Jammu & Kashmir.
3. Principal Accountant General, (A&E), J&K.
4. All Principal Secretaries to Government.
5. Joint Secretary (J&K), Ministry of Home Affairs, Government of India.
6. Chief Electoral Officer, Jammu & Kashmir.
7. All Commissioner/Secretaries to Government.
8. Divisional Commissioner Jammu/Kashmir.
9. Director, Anti-Corruption Bureau, J&K.
10. Director Information, J&K.
11. All District Development Commissioners.
12. All Director(s) Finance/Financial Advisors & CAOs.
13. OSD/Private Secretary to the Hon'ble Chief Minister, J&K.
14. General Manager, Government Press, Jammu/Srinagar for publication in Government Gazette.
15. General Manager, Reserve Bank of India, Department of Supervision, Jammu.
16. Private Secretary to the Chief Secretary.
17. Private Secretary to the Financial Commissioner (Additional Chief Secretary), Finance Department.
18. I/C website, Finance Department (www.jakfinance.jk.gov.in).
19. I/C website, GAD (www.jkgad.nic.in).
20. Government Order File (W2scs).


10/08/2026
(Trikansh Bhushan) JKAS
Under Secretary to the Government
Finance Department



Appendix I & II

(Forms I to XXI - Table of Fees)

APPENDIX I

Forms prescribed under the Jammu & Kashmir Chit Fund Rules, 2026

FORM I
(See Section 4(2) and Rule 3)

Form of Application to be used by a Foreman for Obtaining Previous Sanction to Commence or Conduct a Chit

Place:

Date:

To,
The Principal Secretary to the Govt. of
(The Authorised Officer by Designation)

Sir,

I Son/Wife/Daughter of (here state profession or occupation) residing at

I/We, the Chairman and Secretary respectively of *(Insert the designation as may be appropriate to the applicant) on behalf of (name of the firm, Company, Corporation, Co-op Society etc.) situated at having its registered office at desire to commence and conduct a chit as foreman at (here specify the place with postal address in detail). Full particulars in this regard are given in the Annexure hereto.

2. A certified true copy of the resolution passed by the Managing Committee/Board of Directors at its meeting held on for commencing and conducting the chit in question is enclosed.
3. I/We remit herewith a sum of Rs. (Rupees in words only) being the fees prescribed for the purpose.
4. I/We hereby certify that the aggregate chit amount of the chits run by me/us is Rs. (Rupees only) on the date of this application and does not exceed the aggregate chit amount prescribed by Section 13 of the Chit Funds Act, 1982 (Central Act No. 40 of 1982).
5. I/We request you to accord your sanction for commencing and conducting the Chit. On receipt of such sanction further steps for registration etc., of the chit will be taken.
6. We further undertake to register the chit within 12 months from the date of sanction by the UT Government as per section 4(1) of the Chit Funds Act, 1982.

We have read the provisions of the Chit Fund Act, 1982 (Central Chit Fund Act No. 40 of 1982) and the Rules framed thereunder and agree to abide by the same in the conduct of the chit business.

Chairman	Secretary
Signature:	Signature:
Date:	Date:

End: Sheets for or on behalf of

*Strike out or delete whatever is not applicable.

@ Here enter the name of the applicant institution, if any.

ANNEXURE TO FORM-I

Statement of Particulars

1. Name and address of the company association of individuals/coop. Society, partnership/sole proprietorship (address of the registered as well as the Head Office/administrative office, if any, should be given).
2. Constitution i.e., whether incorporated as company/co-op. Society or registered/unregistered association of individuals/partnership/sole proprietorship (also specify the provision of the Act under which incorporated/registered along with the date of incorporation/registration).
3. Name and addresses of the branches/Offices, if any.
4. Main objects of the institution (enclose a copy of the memorandum and Articles of Association or as the case may be of the Bye laws or rules regulating the activities of the institution).
5. Names, occupations and residential address of the directors or as the case may be, of the promoters/members of the committee of management/partners etc.
6. Name and residential address of the Chief Executive Officer and two other officers immediately next to him, in the managerial setup.
7. Names of the Bankers and their addresses.
8. Names of the auditors and their addresses.
9. Particulars of the chit(s) to be started (such as the chit amounts, duration of the chit, frequency of the draws, manner of draws, etc. Also attach a copy of the draft of the chit agreement to be entered into with the subscribers).
10. Places where the chit scheme(s) are proposed to be conducted.
11. Names and addresses of the associate companies/cooperative societies/associations of individuals/partnerships/sole proprietorships.
12. Names, occupations and residential addresses of the directors or as the case may be of the promoters/members of the committee of management etc., of the institutions referred to in item 11.

I/We *Here enter the name of the applicant institution, if any, strike out whatever is not applicable. solemnly declare that the facts stated herein as also in the enclosures are true in the best of my/our knowledge, information and belief.

Dated this: Day of:

Name(s):

Signature(s):

Designation(s):

For and on behalf of:

NOTE:

(1) If the space against any items is inadequate for furnishing full particulars, the required information should be given in separate sheets indicating the cross reference against the relative item of this statement.

(2) A copy each of the latest available audited balance sheet and profit and loss account if any, should be attached.




FORM-IA

Form of Reply to the Foreman for the Compliance of His Request Filed in Form-I

From

Office of the Registrar of Chits,

.....

To

The Foreman

.....

I hereby acknowledge the receipt of form of application filed by you (Foreman)
..... for obtaining previous sanction to commence or conduct a Chit.

Your request can be complied with and the order of prior sanction will be issued to you on
.....

His request cannot be complied with for the reasons which are
contravening provision of Appeal under section
..... lies with within 30 days from the date of
receipt of this order.

(Seal)

Signature of the Registrar of Chits with date

FORM I-B

(See Section 4)

After careful examination of the Form-I, dated and also the connected records submitted by M/s. the undersigned in exercise of the powers conferred on him/her under Section 4 of the Chit Funds Act, 1982 read with Notification No. hereby issues the "Previous Sanction" for the Chit, the details of which are given below:

Name of the Foreman:	
Chit Amount:	Rs.....
Instalment Amount (without dividend and any other deductions allowed):	Rs.
No. of Instalments:	
No. of Tickets:	

The previous sanction issued in this order shall lapse if the chit is not registered within 12 months from this day.

Place:

Registrar of Chits

Date:



FORM-II

(See Section 7 and Rule 5)

Application for Registration of the Chit Agreement

To,

The Registrar of Chits,

Dear Sir,

- (a) I S/o Sri. being the foreman
conducting chit under the name and style of *for and on behalf of Foreman
.....
- (b) We the Chairman and Secretary respectively of the
foreman conducting chit business under the name and style of *Here enter
the name of the applicant institution if any at
..... hereby apply for registration of the Chit Agreement.
2. The Chit Agreement in duplicate is attached herewith together with a sum of Rs.
..... being the registration fees as required under the Act or Chit
Funds Rules, 2026.
3. The number of current chits which are running as on the date of this application is
..... and the aggregate chit amount of these chits involved therein
is Rs. which is within the limits specified in Section 13 of the
Chit Funds Act, 1982 (Central Act No. 40 of 1982).
4. A certified true copy of the sanction obtained in Form IB under Section 4 of the above
Act for commencement and conduct of the chit in question is enclosed. A copy of the
application dated the together with its enclosures made to the
UT Government/authorized officer in this behalf is also enclosed for information and
ready reference.
5. I/We remit herewith a sum of Rs. (Rupees
..... only) being the fee prescribed for the purpose.

Declaration

6. I/We have read the Chit Funds Act, 1982 (Central Act No. 40 of 1982) and the Rules
made by the UT Government thereunder and I/We declare that the chit agreement has
been drawn up in conformity with the provisions of the said Act and the Rules. The
above statements are true and complete to the best of my/our knowledge, information
and belief.

Yours faithfully,

Chairman	Secretary
Signature:	Signature:
Date:	Date:

Name(s) Designation(s)

**Strike out or delete whatever is not applicable. Insert the designation(s) as may be appropriate to the applicant.*




FORM-III

(See Section 7(2) and Rule 6)

Endorsement of Registration

I hereby certify that the chit agreement relating to the chit proposed to be conducted by (the name and address of the foreman should be filled in here) as a foreman has this day of 20__ been registered by me under sub-section (2) of section 7 of the Chit Funds Act, 1982 (Central Act No. 40 of 1982) as Chit No. of 20__ at

Given under my hand and seal this day of 20__ at

Date:

Signature of Registrar

(Seal)



FORM-IV

(See Section 8(4) and Rule 9)

Place:

Date:

To,

The Registrar of Chits,

Dear Sir,

In terms of sub-section (4) of section 8 of the Chit Funds Act, 1982 (Central Act No. 40 of 1982) we hereby seek approval for appropriating sum of Rs. (Rupees in words) Company. This withdrawal has been necessitated by the following circumstances:

(Here state the circumstances under which withdrawal from the reserve fund has become necessary).

2. We enclose for your information a copy each of the profit and loss account and the balance sheet for the last two accounting years as also a proforma of the balance sheet and profit and loss account for the current year ended 20.....
A true copy of the resolution passed by the managing Committee/Board of Directors on the for appropriation of the said sum from the reserve fund is also enclosed. We shall be glad to furnish such further information as may be required by you.
3. We remit herewith a sum of Rs. (Rupees only) being the fees prescribed for the purpose.
4. We shall be glad if you will kindly grant us permission to withdraw a sum of from the reserve fund.

Yours faithfully,

Chairman	Secretary
Signature:	Signature:
Date:	Date:

**(for and on behalf of Company)*

**Enter the name of the applicant/company.*

FORM IV-A

(See Section 8(4), Rule 9)

Form of Reply to the Foreman for Compliance of His Request Filed in Form IV

From

Office of the Registrar of Chits

To

The Foreman,

I, hereby acknowledge the receipt of Form of application filed by you (Foreman)
..... for grant of permission to withdraw a sum of Rs.
..... (Rupees in words) from the reserve fund.

A sum of Rs. (Rupees in words) is in credit in your reserve fund
account.

Your request can be complied with for the circumstances stated in your application under
which withdrawal from the reserve fund has become necessary and permission will be
accorded in Form IV on

Your request cannot be complied with for the reasons for (Reasons
for refusal should be mentioned). An appeal U/s lies with
..... within 30 days from the date of receipt of this order.

(Seal)

Signature of the Registrar of Chits with date.

FORM-V

(See Section 9(1) and Rule 10)

Place:

Date:

To,

The Registrar of Chits,

Dear Sir,

By your letter dated the you were pleased to grant me/us certificate of registration to commence a new chit of a chit amount of Rs and of a duration months.

2. I/We have subsequently enlisted the required number of members and we hereby declare in terms of sub-section (1) of section 9 of the Chit Funds Act, 1982 (Central Act No. 40 of 1982) that all the tickets specified in the chit agreement have been fully subscribed.

3. I/We remit herewith a sum of Rs (Rupees in words only) being the fees prescribed for the purpose of filing this declaration.

Yours faithfully,

Chairman	Secretary
Signature:	Signature:
Date:	Date:

For and on behalf of (Foreman)

**Strike out or delete whatever is not applicable. Insert such designation(s) as may be appropriate to the applicant.*

FORM-VI

(See Section 9(2) and Rule 11)

Certificate of Commencement of Chit

Place:

Date:

Office of the Registrar of Chits.

I hereby certify that *Here enter the name of the foreman. is entitled to commence and conduct the chit @Here mention the chit amount and duration etc., of the chit(s). the chit agreement in respect of which was registered in my office as Chit No of 20.....

Given under my hand and seal, this day of 20..... at

(Seal)

Signature of Registrar



FORM-VII

(See Section 10(2) and Rule 12)

To,

The Registrar of Chits,

Dear Sir,

The Chit Funds Act, 1982 (Central Act No. 40 of 1982)

I/We the Foreman of the chit/chairman and secretary on behalf of the Foreman/Firm/Company conducting the chit, the chit agreement bearing registration number of 20..... has been registered in the office of the Registrar of Chits do hereby certify that I/We have furnished to every subscriber of the chit a copy of the said chit agreement duly certified by me/us to be a true copy. The copies were furnished to each of the subscribers on

The date of obtaining the certificate of commencement of the said chit granted under subsection (2) of Section 9 is

The first draw of the said chit was held on

Yours faithfully,

Chairman

Secretary

Place:

Date:

For and on behalf of (Foreman)

**Strike out/delete whatever is not applicable. Insert the designation(s) as may be appropriate to the applicant.*



FORM-VIII

(See Section 6 and Rule 13)

Form of Chit Agreement

(Articles of Agreement between the Foreman and the Subscribers)

1. Office where the chit is registered:
2. Year and Registered No.: Year: No:
3. Full name and address of foreman:
4. Occupation (if applicable):
5. Age (if applicable):

I. Chit Amount and Number of Tickets

Sl.	Particulars	Fraction/No.	Amount (Rs.)
1.	No. of tickets or fraction thereof held by each subscriber	Full / 3/4 / 1/2 / 1/4 / 1/8	
2.	No. of instalments and amount payable for each ticket at every instalment	No.	Rs.
3.	Chit amount		Rs.

II. Duration of the Chit

1. Date of 1st instalment:
2. Dates of subsequent instalments:
3. Date of termination:
4. Duration of the chit: Years months

III. The Place, Time and Probable Date when the Chit is to be Commenced

1. Place (give full particulars):
2. Probable date:
3. Time of commencement of the proceedings:

IV. Particulars of Security given or deposited by Foreman

1. Under section 20 of the Act, the following security sufficient to the satisfaction of the Registrar of Chits, the particulars of which are described below, has been given for the proper conduct of the chit:- (Here enter description of security such as cash, Government security (immovable property) etc., In case immovable property has been charged, its particulars such as its description/location/market value etc., should be given).
2. No. and date of the certificate of Registrar of Chits regarding, the sufficiency of security, if obtained:

3. The foreman shall not get release of the security in full until all the liabilities under the chit are discharged.

V. Mode of Conducting the Chit

The foreman shall exhibit a list of non-prized subscribers before every auction.

1. The subscriber who is to get the prize at any instalment shall be determined by lot or by auction at the time and place specified in Article III. (Here specify the smallest fraction of a ticket the prize for which will be determined by lot or by auction, and the time allowed for each purpose).
2. Where the prize is to be determined by auction, a ticket or fraction thereof shall be auctioned for a sum not less than the chit amount minus foreman's commission, and the subscriber who bids for the highest discount not exceeding 40% of the total amount of the chit shall be entitled to have it confirmed in his name.

Note: Where a fraction of a ticket is auctioned, the subscriber who bids it for the highest discount is entitled to have confirmed in his name at the same rate as many such fractions as he wished to bid.

3. In case where the subscribers are not be prepared to bid any ticket or fraction thereof or where the discount is not sufficient to meet the foreman's commission, the subscriber who is entitled to the prize amount shall be determined by lot. The subscriber so determined shall be deemed to be the prized subscriber who shall be entitled to the chit amount for his ticket less foreman's commission for that ticket.
4. A defaulter-subscriber shall not be entitled to take part in the proceedings.
5. If for any reason the subscriber is unable to take part in the proceedings, he may in writing authorize an agent in that behalf. Such agent shall have all the rights and privileges of a subscriber of such proceedings.

VI. Mode of Payment of each Instalment

1. Every subscriber shall on the date of each instalment pay the foreman the amount due for his ticket for each such instalment and get a receipt in that behalf from the foreman.
2. In the case of the prized subscriber, if the amount due from him for a particular instalment is not paid on the date of that instalment, it shall be paid within (here mention weeks or months) with interest at (here specify the rate) failing which it shall be competent for the foreman to realize from the defaulter in a lump sum all the future subscriptions due from him together with the interest due thereon and other incidental expenses.
3. In the case of a non-prized subscriber, if the amount due from him for a particular instalment is not paid on the date of that instalment, it shall be paid within (here mentioned week or months) with interest at (here specify the rate) failing which it

shall be open to the foreman to remove him from the list of subscribers and have another person substituted for such defaulter subscriber. The foreman shall duly inform the defaulter subscriber of the action taken against him.

Note: Under clauses (2) and (3), the period within which the amount shall be paid and the rate at which interest due thereon shall be paid may be such as shall not be inconsistent with the provisions of the Act or any law for the time being in force.

4. A non-prized defaulting subscriber shall be entitled to the amount paid by him and the discount due to him on his executing an acknowledgement in writing at the time the substituted subscriber draws the prize amount of the defaulter subscriber fails to obtain the amount due to him, the foreman shall deposit the same in the approved bank. If the foreman fails to pay such subscriber, the amount so due to him on the due date, it shall be competent for such subscriber to realize such amount with interest permissible under the law for the time being in force.

VII. Procedure for Receiving the Prize Amount by a Prized Subscriber

1. A prized subscriber or his nominee shall receive from the foreman the prize amount within (here specify the period) after furnishing to the satisfaction of the foreman sufficient security, for the payment of future subscriptions.
2. In case the prized subscriber or his nominee fails to receive the prize amount after furnishing sufficient security the foreman shall deposit the amount in the approved bank and inform the prized subscriber of that fact.
3. In case the amount so deposited is not sufficient for the payment of future subscriptions, it shall be competent to the foreman to realize from such prized subscriber such amount as may be deficient together with the interest due thereon and all other incidental charges.
4. In case there remains any portion of the amount deposited after paying the future subscriptions and other charges such portion shall be payable by the foreman to the prized subscriber after the termination of the chit, failing which it shall be competent for the prized subscriber or his nominee to realize from the foreman such portion as remains together with the interest due thereon from the date of termination of the chit.
5. If at any time after the prize amount is deposited in an approved bank, the prized subscriber or his nominee furnishes sufficient security, the foreman shall withdraw the amount so deposited and pay it to the prized subscriber or his nominee after deducting there from the amount due from him for the payment of the instalment prior to the date on which the security is furnished.
6. If the foreman fails to pay the prize amount to the prized subscriber or his nominee furnishing sufficient security, it shall be competent for such subscriber or his nominee to realize from the foreman the prize amount together with interest due thereon from the date of furnishing such security.

VIII. Disbursement of Discount

The discount for every ticket auctioned shall be distributed equally between the prized and non-prized subscribers after deducting there from the foreman's commission.

IX. Foreman's Commission and the Instalment at which the Foreman is to get the Prize

1. (Here specify the date and number of instalment at which the foreman is to get the prize) First and the last instalment not being subject to auction, the subscribers shall be liable to pay the full amount of their tickets.
2. Here specify the rate per cent of foreman's commission and the total amount of commission chargeable on the chit amount.

Note: Any other amount agreed to by the subscribers for any other purpose may also be specified here.

X. Transfer - How to be Effected

- 
1. It shall not be competent to any subscriber to transfer his rights in a chit except with the consent in writing of the foreman provided that no such consent shall be necessary in the case of transfer by a subscriber whose name has been removed by the foreman from the list of subscribers for default of payment of subscriptions. The transferee (whether he is already a subscriber or not) shall be entitled to no more rights than the transferor had in the chit in respect of the ticket or fraction thereof transferred.
 2. No transfer of the rights of a foreman to receive subscriptions from the prized subscribers shall be made without the previous sanction in writing of the Registrar of Chits. Any such transfer shall, if it defects or delays a non-prized subscriber, be avoidable at the instance of such subscriber.
- 

XI. Balance Sheet and Subscribers' Right to Examine Chit Records

1. On termination of a chit, the foreman shall prepare the balance sheet containing a summary of the assets and liabilities of the chit and giving such particulars as will disclose the nature of the assets and liabilities and how the value of the assets has been arrived at. Such balance sheet shall be made available for auditing by the auditors specified in Rule 29 and a certificate of such auditing shall be received by the foreman and kept by him.
2. The foreman shall make available for examination by the subscribers all the chit records between (here specify the time) on all the dates of the draw.

XII. Banks where Chit Money may be Deposited

(Here specify the approved bank(s) the foreman proposes to deposit chit money).

XIII. Miscellaneous

1. The subscriber who gets his prize at the last instalment shall be entitled to the chit amount less the foreman's commission. The foreman shall pay up such amount within (here specify the period) from the normal date of last draw or last instalment failing

which the prized subscriber shall be competent to realize the amount from the foreman together with the interest due thereon the date aforesaid.

2. Any amount due to the foreman from any subscriber on account of the chit shall be a first charge on the subscriptions paid by such subscriber. Similarly, the security and all chit money deposited by the foreman shall be liable for discharging any amount due from the foreman to the subscribers.
3. Receipts shall be granted for all payments by the foreman to the subscribers or by the subscribers to the foreman duly affixing the Revenue Stamp required as per Article 51 of schedule 1 of the Indian Stamp Act, 1899.
4. The chit amount shall in no case be enhanced, but if necessary, it may be reduced.
5. If all the non-prized and un-paid prized subscribers give consent in writing for making any alteration in the chit agreement not inconsistent with the provisions of the Act and the Rules made thereunder the foreman shall convene the meeting for that purpose.
6. If for any default of the foreman the conduct of the chit is not continued, the foreman shall pay to the non-prized subscribers their contributions including dividend within (here specify the period) failing which it shall be competent for such subscribers to realize the amount together with the interest due thereon from the foreman or from all or any of the following assets:
 - a. the security given or deposited by the foreman;
 - b. other properties belonging to the foreman;
 - c. the future subscriptions due to the foreman from the prized subscribers.
7. In case the foreman holds tickets as an ordinary subscriber in addition to the ticket of which he is entitled to the prize without deduction of the discount, he shall not have any more rights, or privileges than the other subscribers have in the chit. When the foreman bids such tickets he shall furnish sufficient security for the payment of future subscriptions as required by the Act and the Rules made thereunder.
8. If before the termination of the chit, the foreman dies or otherwise becomes unable to conduct the chit,
 - a. Here specify the arrangements made for the conduct of the chit.
 - b. In such a case one or more of the non-prized subscribers authorized by a special resolution may, in the absence of any provision in this Chit Agreement for the future conduct of the chit, take the place of the foreman and have the right to continue the chit on to make suitable arrangements for the future conduct of the chit.
9. Here specify any other provisions that may be agreed to such as payment of interest or penalty, if any payable or any default in the payment of stipulated instalments etc.

10. The subscribers who have affixed their signatures hereunder agreed to the above Articles.

Sl. No.	Name and Full Address of Subscriber	No. of Tickets Taken	Subscriber's Signature and Date	Name, Signature and Address of Witness
1	2	3	4	5

11. The total number of subscribers should be limited to the total number of draws/auctions that have been agreed to and each subscriber shall be entitled to the number of chits held by him, in each chit.



FORM-IX

(See Section 16 and Rule 16)

Notice to Subscribers

Chit Number of 20.....

Sir,

This is to inform you that the draw in monthly/quarterly/half
yearly/yearly chit No 20..... in which you are one of the subscribers
will be held on day (month)
..... 20..... at A.M./P.M. at (address)
..... Please be present at the draw in person or by your duly authorized
agent.

Yours faithfully,

Secretary

For and on behalf of (Foreman)

**Strike out or delete whatever is not applicable. Insert such designation(s) as may be appropriate.*



FORM-X

Application for Permission to Furnish Security for Conducting the Chit

To,

The Registrar of Chits,

Dear Sir,

I/We propose to give the under-noted security in respect of the chit proposed to be started by me/us, the certificate for commencement of which was granted by you on (vide No dated). Other particulars are also given below.

1. Name & Address of the Applicant:
2. Age and occupation:
3. Chit amount: Rs.
4. Details of cash/Government Security/any other movable security/offered as security:
5. Details of Immovable Properties offered as Security:

Sl.	District	Sub-district/Taluk	Village	Sy. No.	Area	Remarks
1						
2						

6. Rights of the applicant over the property:
7. Market value of the property: Rs.
8. Details of prior encumbrances if any, on the property:
9. Movable (and immovable) properties belonging solely to the applicant (to be shown separately):
10. Whether the applicant has any debt and if so, the amount of such debt:
11. Whether the applicant has conducted any chit before and if so, whether there is any subsisting liability under the same:

I am/we are appending herewith:

- (1) Title deeds in support of title to the property offered as security; and
- (2) The encumbrance certificate of the property for the past 30 years.

The information and particulars furnished herein are true and correct to the best of my/our knowledge information and belief.

Yours faithfully,

Chairman:

Secretary:

Place:

Date:

Signature(s):

For and on behalf of

NOTE:

- (1) Cash/Government security - Applicable only when the security offered is immovable property.
- (2) Insert the designation as may be appropriate to the applicant. Strike out/delete whatever is not applicable.

Details of Decision

Signature of Registrar of Chits

(Seal)



FORM-XI

(See Rule 18(7))

Certificate of Sufficiency of Security

Office of the Registrar of Chits,

Place:

Date:

In the case of

I hereby certify that I have satisfied myself that the amount/Government security mentioned herein and deposited in the approved bank/transferred in my name (should it be in Registrar's name or on behalf of Government of Jammu & Kashmir) is adequate and that the same is accepted under section 20 of the Chit Funds Act, 1982 (Central Act 40 of 1982).

(Seal)

Signature of the Registrar of Chits.



FORM-XII

(See Section 20(3) and Rule 20)

Application for Substitution of the Security

Date:

Place:

The Registrar of Chits,

Dear Sir,

I/We propose to give the under-noted security in substitution of the original security for proper conduct of the chit for the commencement of which a certificate had been granted by you (vide No Dated). Certain other particulars are also given below:

1. Name of foreman:
2. Age & occupation if the foreman is not a firm or a company:
3. The office in which the chit agreement of the chit has been registered and the number and year of registration:
4. Chit amount: Rs.
5. Details of the original security given:
6. Whether the applicant has any debt and if so, the amount of any such debt and to whom they are due:
7. Details of Government security/other securities offered as substituted security:

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

Yours faithfully,

Chairman	Secretary
Signature:	Signature:
Date:	Date:

For and on behalf of

**Strike out/delete whatever is not applicable. Insert the designation(s) as may be appropriate to the applicant.*

Decision of the Registrar

(Seal)

Signature of the Registrar

FORM-XIII

(See Section 23 and Rule 25)

Form of Register of Subscribers to be Maintained

Office where the chit agreement of the chit is registered:

The Registration number and year of registration of Chit Agreement of the chit:
.....

S.No.	Name and Full Address of Subscriber	Date of Signing Chit Agreement	Date of Receipt of Copy of Chit Agreement	No. of Tickets	Amount
(1)	(2)	(3)	(4)	(5)	(6)

Assignment

Name & Address of Assignee	Date of Assignment	No. & Fraction of Tickets	Amount Rs.	Date on which Foreman Recognized the Assignment
(Col 7)	(Col 8)	(Col 9)	(Col 10)	(Col 11)

Substitution

Reason for Removal	Date of Removal	Name & Address of Substituted Subscriber	Date of Substitution	No. & Fraction of Ticket	Amount	Date of Intimation to Removed Subscriber	Remarks
(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)

FORM-XIV

(See Section 23 and Rule 25)

Form of the Ledger to be Maintained

Office where the Chit agreement of the chit is registered:

Registration number of the chit agreement:

Section I - Receipt and Payments in respect of Subscriber

Number of Subscriber:	Name of Subscriber:	No. of Tickets taken:	Chit Amount: Rs.
--------------------------------	---------------------------------	--------------------------------	---------------------------

Date	Instalment No.	On what Account Received/Paid	Subscription Amount Rs.	Dividend Due Rs.	Share Amount Rs.	Interest Rs.	Gen. No. in Day Book	Amount paid by Subscriber	Amount Received Back	Signature	Remarks
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)

FORM-XV

(See Section 23 and Rule 25)

Form of the Day Book to be Maintained

Office where the Chit agreement of the chit is registered:

Registration number of the chit agreement:

Date	Gen. No.	Account Head	Subscription Rs.	Interest Rs.	Bank Withdrawal Rs.	Other Items Rs.	Total Receipts Rs.	Amount Paid Rs.	Foreman's Commission Rs.	Deposits in Bank Rs. (11) / Balance Rs.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)

NOTE:

(1) The balance should be struck in column (15) at the close of each day. The monthly total of receipts and expenditure shall be struck at the end of each month.

(2) In column (2) each 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 separate item.



FORM-XVI

(See Section 23 and Rule 25)

Receipt Book

ORIGINAL	DUPLICATE (Counter Foil)																					
Serial Number:	Serial Number:																					
Received from to the credit of the amounts detailed below in respect of the Chit Agreement registered under number 20.....	Received from: Chit No.: Amount Rs.: Date:																					
<table border="1" style="width: 100%; border-collapse: collapse;"><thead><tr><th style="width: 70%;">Particulars</th><th style="width: 15%;">Rs.</th><th style="width: 15%;">Ps.</th></tr></thead><tbody><tr><td>Payment for current instalment</td><td></td><td></td></tr><tr><td>Arrears of subscription</td><td></td><td></td></tr><tr><td>Penalty for overdue subscription</td><td></td><td></td></tr><tr><td>Fees for inspection of records</td><td></td><td></td></tr><tr><td>Other receipts</td><td></td><td></td></tr><tr><td>TOTAL</td><td></td><td></td></tr></tbody></table>	Particulars	Rs.	Ps.	Payment for current instalment			Arrears of subscription			Penalty for overdue subscription			Fees for inspection of records			Other receipts			TOTAL			
Particulars	Rs.	Ps.																				
Payment for current instalment																						
Arrears of subscription																						
Penalty for overdue subscription																						
Fees for inspection of records																						
Other receipts																						
TOTAL																						
(In words: Rupees only)																						
Date:																						
Affix Revenue Label here																						
For and on behalf of foreman																						

**Strike out/delete whatever is not applicable. Insert the designation(s) as may be appropriate to the applicant.*




FORM-XVII

(See Section 64 and Rule 45)

Application for Reference of a Dispute to Arbitration

Before the Registrar/Additional/Joint/Deputy/Assistant Registrar

DISPUTANTS 1. Name: Age: Occupation: Address: 2. Name: Age: Occupation: Address: 3. Name: Age: Occupation: Address:	VERSUS OPPONENTS 1. Name: Age: Occupation: Address: 2. Name: Age: Occupation: Address: 3. Name: Age: Occupation: Address:
---	---

(Here give full particulars of the claim or the facts of the case constituting the cause of action, when it arose etc.,)

The disputant/disputants prays/pray as under:-

In support of the above claim or relief sought I/We enclose documents and papers as per the list annexed hereto.

Date:

Signed: Disputant(s)

I/We Disputant/disputants declare that the facts stated above are true to the best of my/our knowledge and belief.

Date:

Signed (1):

Signed (2):

Signed (3):

Disputants

Filed in the office of on 20.....

NOTE:

(1) In case there are more disputants or opponents, their names, addresses, age and occupations should also be mentioned.

(2) In disputes relating to monetary claims, the disputants should state the precise amount claimed but where this cannot be exactly ascertained the disputants shall state the appropriate amount claimed.

(3) When the disputant - foreman is a company/cooperative society or a partnership firm, a copy of the resolution of its Board of Directors or as the case may be, Managing Committee shall accompany the application.

A large, stylized handwritten signature in dark ink, possibly reading 'S' or 'S.' with a long horizontal stroke extending to the right.Small handwritten initials or a mark, possibly 'ng' or 'ng'.

FORM-XVIII

(See Section 71 and Rule 54)

Proclamation to be Issued at the Time of the Issue of a Certificate

A. In the case of Immovable Property:

Whereas (Judgement-Creditor) has obtained an Award under Section 69 of the Chit Funds Act, 1982 (Central Act No. 40 of 1982) for an amount of Rs. against (Judgement-Debtor) and proposes to execute the same by sale of the under mentioned property of the said Judgement-debtor and whereas the said execution of the award under section 71, of the said Act.

Notice is hereby given that any private transfer or delivery of, or encumbrance or charge on, the property made or created after the issue of the certificate shall be null and void against the said Judgement-creditor under section 72 of the Act aforesaid.

Description of The Property

Date of Award	Names of Parties Against Whom Award Passed	Survey/House No.	Village/Town	Area	Assessment/Taxes	Other Description/Boundaries	Remarks
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)

The Notice shall be proclaimed at some place on or adjacent to such property by beat of drum or other customary mode, and a copy of the said notice shall be fixed on a conspicuous part of the property and upon a conspicuous part of the village/town Panchayat office and also where the property is land paying revenue to the UT Government in the office of the Deputy Commissioner of the District in which the land is situated.

Place: Date:

Registrar of Chits

B. In the case of Movable Property:

A similar notice may be given with necessary changes as to the description of the property. A copy of the notice shall be delivered to the judgement-debtor.

FORM-XIX

(See Rule 56(5))

Certificate for Transfer of Property

In the case of Immovable Property:

Where in execution of the award made under section 69 of the Chit Funds Act, 1982 (Central Act. No. 40 of 1982) in favour of (hereinafter referred to as the Judgement Creditor) an order was passed on the day of 20..... for sale of the under mentioned property of the person or persons (debtor or debtors).

And whereas the Court/the Deputy Commissioner/Registrar is satisfied that the said property cannot be sold for want of buyers;

It is hereby ordered that the rights, title and interest of the debtor in the said property shall vest in the said Judgement-creditor and shall be delivered to him subject to the terms and conditions laid down in the schedule hereto annexed.

Description of The Property

Survey No.	Area and Assessment	Nature of Right, Title and Interest of the Defaulter	Details of Encumbrances to which Property is Subject

The Schedule

The said property is transferred to the Judgement-creditor in full/partial satisfaction of the amount due to him from the debtor.

Given under my hand and seal of the Court/Deputy Commissioner/Registrar this day of 20.....

Court/Deputy Commissioner/Registrar of Chits.

In the case of Movable Property:

(The form shall be similar with necessary changes as regards the description and the delivery of the property).

FORM-XX

(See Clause (c) of Rule 2)

Form of Letter of Authority

I, who am/is of M/s
(Name) (Designation) being the foreman of the chit series registered
under Registration No. as my authorized representative to attend on
my/our behalf in the matters connected with the above chit to produce accounts and
documents and to receive on my/our behalf any notice or document issued and to take all
necessary steps in the matter.

I/We agree to ratify all acts done by the said Shri in pursuance of this
authority.

Date: Place: Signature:

Status:

FORM-XXI

(See Rule 28(2))

Balance Sheet of Chit

Name of the Foreman:	(i) Registration No.:
(ii) Date balance sheet was prepared:	(ii) Name of Foreman:
(iii) No. of instalments conducted till date of balance sheet:	(iv) Chit amounts: (v) No. of instalments:

Part I - Receipts and Expenditure

Receipt	Current Year Rs.	Total incl. Previous Rs.	Expenditure	Current Year Rs.	Total incl. Previous Rs.
1. Subscription paid by prized and non-prized subscribers			1. Prize amounts disbursed to prized subscribers		
2. Receipt under dividend			2. Interest paid to subscribers		
3. Interest realized from subscribers			3. Amount paid to defaulter non-prized subscribers		
4. Contributions by substitution of assignee non-prized subscribers, defaulters			4. Amount contributed by foreman for payment of prize amount		
5. Any other amount received from subscribers			5. Foreman's commission		
6. Amount contributed by foreman for payment of prize amount			6. Amounts on account of interest realized for delayed payments and forfeited dividend		
7. Interest accrued from investments			7. Dividend paid		
8. Other items (details to be annexed)			8. Sinking fund		

9. Investments withdrawn			9. Other items (details to be annexed)		
10. Investments made					
GRAND TOTAL:			GRAND TOTAL:		

Part II - Statement of Assets and Liabilities

Sl.	Assets	Rs.	Ps.	Liabilities	Rs./Ps.
1.	Amounts due on account of arrears of subscription due from prized subscribers			Amounts paid by non-prized subscribers (including dividend)	
2.	Amounts due from the subscribers including the subscriptions			Amounts due to non-prized defaulter subscribers	
3.	Interest due from defaulter subscribers			Arrears of prize amount due to prized subscribers	
4.	Investments in Bank (including interest thereon)			Arrears of prize amount due to prized subscribers	
5.	Other items (details to be annexed)			Other items (details to be annexed)	
6.	Sinking fund			Sinking fund	
	Total			Total	

Part III - Details of Investments

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

Part IV - Assessment of Value of Investment

1. Investment in Pass book account number:
2. Particulars of documents to be entered here. Amount due from the future instalments of the chit as per bonds, etc., obtained for 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.

NOTE:

- (1) Statement of details of receipts and expenditure for each instalments.
- (2) Of disbursement.
- (3) Of the prize amount in respect of each instalment.
- (4) Statement of details of arrears due on the date of the preparation of the balance sheet from the prized and non-prized subscribers. Security offered by the foreman, hypothecation bonds, etc., executed under Section 20, and hypothecation bonds etc., obtained from the prized subscribers under Section 31 of the Act.

Part V - Certificate by Foreman

I certify that the above accounts have been prepared correctly and that they contain a true and complete statement of the affairs of the chit.

Date:

Name and signature of foreman:

.....

Part VI - Certificate by Auditor

Certified that I have examined the chit books and records maintained in respect of the chit the bye laws of which have been registered in as number 20..... conducted by foreman and have verified the entries in the accounts with the books. The accounts are drawn up in conformity with the provisions of the Chit Funds Act, 1982 and the Rules framed thereunder.

Date:

Name and signature of the auditor:

.....

APPENDIX-II

Levy of Fees under Sections 62 and 63 of the Chit Funds Act, 1982 (Central Act. No. 40 of 1982)

(See Rule 42 of the Jammu & Kashmir Chit Funds Table of Fees Rules, 2026)

TABLE OF FEES

Sl. No.	Nature of Application / Purpose	Fee Payable
1.	For the application for previous sanction to commence or conduct a chit under sub-section (2) of Section 4:	Up to Rs. 50,000/- (Chit Value): Rs. 10/- per ticket, subject to maximum of Rs. 400/-. Rs. 50,001 to Rs. 2,00,000/-: Rs. 20/- per ticket, subject to a maximum of Rs. 1,000/-. Rs. 2,00,001 to Rs. 5,00,000/-: Rs. 30/- per ticket, subject to a maximum of Rs. 1,500/-. Above Rs. 5,00,000/-: Rs. 35/- per ticket, subject to a maximum of Rs. 2,000/-
2(a).	For filing the chit agreement with the Registrar and Registration of chit under Section 7.	Rs. 10/- per ticket
2(b).	For every application for registration of alteration, addition to or cancellation of chit agreement under Section 15 and Rule 14.	Rs. 10/- per ticket
3.	For filing the declaration with the Registrar and the grant of a certificate of commencement under sub-section (1) of Section 9.	Rs. 10/-
4.	For filing the certificate under sub-section (2) of Section 10.	Rs. 10/-
5.	For filing a copy of minutes of the proceedings under Section 18.	Rs. 2/-
6(a).	For the audit of balance sheet under Section 24 by the Chit Auditor - When the aggregate chit amount does not exceed Rs. 1,00,000/-.	Rs. 100/-
6(b).	For the audit of balance sheet under Section 24 by the Chit Auditor - When such amount exceeds Rs. 1,00,000/-.	Rs. 250/-

Sl. No.	Nature of Application / Purpose	Fee Payable
7.	For filing the audited balance sheet under Section 24.	Rs. 100/- for Proprietary concerns; Rs. 200/- for Partnership Firms; Rs. 300/- for Companies
8(a).	For the audit of accounts under sub-section (4) of Section 61 by the Chit Auditor - When the chit amount does not exceed Rs. 1,00,000.	Rs. 50/-
8(b).	For the audit of accounts under sub-section (4) of Section 61 by the Chit Auditor - When such amount exceeds Rs. 1,00,000/-.	Rs. 300/-
9.	If the balance sheet or accounts are audited under Section 24 or sub-section (4) of Section 61 at the premises of foreman or outside the office of the Registrar for each such audit, in addition to fee payable under Articles 6 and 8.	Rs. 20/- plus an amount equal to the travelling allowance and daily allowance admissible to the Chit Auditor under the Jammu & Kashmir Travelling Allowances Rules
10(a).	For the application for extension of time for filing the declaration under sub-section (3) of Section 7.	Rs. 20/-
10(b).	For the application for approval to appropriate sums from reserve fund under sub-section (4) of Section 8.	Rs. 200/-
10(c)(i).	For the application to offer as security the immovable property situated outside the jurisdiction of the Registrar but within the UT.	Rs. 50/-
10(c)(ii).	For the application to offer as security the immovable property situated outside the UT.	Rs. 100/-
10(c)(iii).	For inspecting the immovable property offered as security under Section 20 to fix value of the property by the Deputy Registrar of Chits or Assistant Registrar of chits.	Rs. 250/- plus an amount equal to the travelling allowance and daily allowance admissible to the Deputy Registrar or Assistant Registrar of chits
10(d).	For the application for permission to substitute the security during the currency of the chit under sub-section (3) of Section 20.	Rs. 50/-
10(e).	For the application from the Foreman to conduct any draw in the presence of the	Rs. 50/-

Sl. No.	Nature of Application / Purpose	Fee Payable
	Registrar or the person deputed by him under sub-section (3) of Section 16.	
10(f).	For the application for the prior approval of the Registrar to open a new place of business under sub-section (1) of Section 19.	Rs. 150/-
10(g).	For the application for extension of time for filing copies of documents under Section 75.	Rs. 30/-
10(h).	For the application to award compensation against frivolous or vexatious petition for winding up of chit under sub-section (1) of Section 58.	Rs. 15/-
10(i).	For the application for injunction order under Section 52.	Rs. 15/-
10(j).	For the application for leave to continue legal proceedings against foreman under Section 55.	Rs. 15/-
10(k).	Application for attachment of property under sub-section (1) of Section 68.	Rs. 25/-
11(a).	For filing a copy of each entry relating to the removal of defaulting subscriber under sub-section (3) of Section 28.	Rs. 5/-
11(b).	For filing a copy of each entry relating to the substitution of a subscriber under sub-section (2) of Section 29.	Rs. 5/-
11(c).	For filing a copy of entry relating to transfer of the rights of foreman under Section 37.	Rs. 5/-
11(d).	For filing a copy of entry, relating to transfer of non-prized subscriber's right under Section 37.	Rs. 5/-
11(e).	For filing a copy of assent of all non-prized and unpaid subscribers for withdrawal of a foreman under Section 41.	Rs. 5/-
11(f).	For filing a copy of consent of all non-prized and unpaid prized subscribers to the termination of chit under Section 41.	Rs. 5/-
12.	Fee for petition for settlement of dispute.	Rs. 20/- for every thousand or part

Sl. No.	Nature of Application / Purpose	Fee Payable
		thereof of the amount of claim in dispute. Subject to a maximum of Rs. 10,000/-
13(a).	Fee for application for winding up of chit - When the chit amount does not exceed Rs. 5,000.	Rs. 100/-
13(b).	Fee for application for winding up of chit - When such chit amount exceeds Rs. 5,000.	Rs. 200/-
14.	Fee for adjournment of any proceedings under the Act.	Rs. 25/-
15.	Fee for application for interim stay or relief other than appeals to the Government or any other authority.	Rs. 50/-
16(a).	Fee for appeal to the UT Government or any other authority - When it relates to a chit with a chit amount not exceeding Rs. 1,00,000.	Rs. 100/-
16(b).	Fee for appeal to the UT Government or any other authority - When such chit amount exceeds Rs. 1,00,000.	Rs. 200/-
17.	For inspection of one or more records relating to a chit under Section 62 for each inspection.	Rs. 5/-
18.	For a copy or extract of the records relating to a chit.	Rs. 2/- per page
19.	For a certified copy of any order or judgement or award made by the Registrar or his nominee under Section 69.	Rs. 50/-