

THE CHIT FUNDS (AMENDMENT) ACT, 2001

No. 10 of 2001

[9th May, 2001.]

An Act to amend the Chit Funds Act, 1982.

BE it enacted by Parliament in the Fifty-second Year of the Republic of India as follows:—

1. (1) This Act may be called the Chit Funds (Amendment) Act, 2001.

Short title and commencement.

(2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint, and different dates may be appointed for different States.

40 of 1982.

2. In section 6 of the Chit Funds Act, 1982 (hereinafter referred to as the principal Act), in sub-section (3), for the words "thirty per cent.", the words "forty per cent." shall be substituted.

Amendment of section 6.

3. In section 13 of the principal Act,—

Amendment of section 13.

(i) in sub-section (1), for the words "twenty-five thousand rupees", the words "rupees one lakh" shall be substituted;

(ii) in sub-section (2),—

(A) in clause (a), for the words “one lakh”, the words “six lakhs” shall be substituted;

(B) in clause (b), for the words “twenty-five thousand rupees”, the words “rupees one lakh” shall be substituted.

Amendment
of section 20.

4. In section 20 of the principal Act, in sub-section (1), for clause (a), the following clause shall be substituted, namely:—

“(a) deposit in the name of the Registrar, an amount equal to,—

(i) fifty per cent. of the chit amount in cash in an approved bank; and

(ii) fifty per cent. of the chit amount in the form of bank guarantee from an approved bank; or”.