



MUTHOOT PAPPACHAN CHITS (INDIA) PVT LTD

REGD. OFFICE : Muthoot Centre, Punnen Road, Thiruvananthapuram, Pin: 695 034

Phone : 0471 3921002, 3921028, 3921022

BRANCH :

FORM VIII

[See Section 6 and rule 14]

FORM OF CHIT AGREEMENT

(Articles of agreement between the Foreman and the Subscribers)

1.	Office where the chits is registered	:		
2.	Year and registered number	:	Year	Number
3.	Full name and address of Foreman Pin Code Phone Number (e-mail address and phone numbers if any)	:		
4.	Occupation (if applicable)	:	Business	
5.	Age (if applicable)	:	N.A	
i.	Chit amount and number of tickets			
	(1) No. of tickets or fraction thereof held by each subscriber	:	One (Full)	
	(2) No. of installments and amount payable for each at every installments	:	Number	Amount
ii.	Duration of the chit			
	(1) Date of 1st installment	:		
	(2) Dates of subsequent installments	:	of every English month	
	(3) Number of installments per year	:	12	
	(4) Date of termination	:		
	(5) 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
FD No: , **Dated:** of **Bank,**
..... **Branch,** **District of**
Rs /- **in favour of Assistant Registrar of Chits,**
- (2) No. and date of the certificate of Registrar of Chits regarding the sufficiency of security.
No:..... **and date**
- (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 :

- (1) The subscriber who is to get the prize at any installment shall be determined by lot by auction the time and place specified in Article III. Smallest Fraction is one and time allowed for each ticker is 5 minutes.
- (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 30% of the total amount of the chit shall be entitled to have it confirmed in his name.
Note:- Where a fraction of ticket is auctioned, the subscriber who bid 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 prepared to bid any tickets 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 writings authorise an agent in that behalf. Such agent shall have all the rights and privileges of a subscriber at such proceedings.

VI Mode of payment of such installment:

- (1) Every subscriber shall on the date of each installment pay to the foreman the amount due for his tickets for each such installment and get a receipt in that behalf from the foreman.
- (2) In the case of prized subscriber, if the amount due from him for a particular installment is not paid on the date of that installment, it shall be paid within one month with interest at 12% failing which it shall be competent to the foreman to realize from the prized subscriber or security produced by the defaulter in a lump all the future subscription due from him together with the interest due thereon and other incidental expense.
- (3) In the case of a non-prized subscriber, if the amount due from him for a particular installment is not paid on the date of that installment, it shall be paid within (one month) with interest at 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:-
 - (i) 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.
 - (ii) The rate of interest payable by a defaulting subscriber in pursuance of the provision to section 28(1) of the Act shall not exceed 12 percent per annum.
- (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. If 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 due to him on the due date, it shall be competent for such subscriber to realise 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 30 days 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 by 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 to 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 furnished 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 installments 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 furnished sufficient security it shall be competent to such subscriber or nominee to realise from the foreman the prize amount together with the 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 their from the foreman's commission.

IX Foreman's commission and the installments at which the foreman is to get the prize.

- **1st Installment** **date**

- (1) First and the last installment not being subject to auction, the subscribers shall be liable to pay the full amount of their tickets.
- (2) The rate per cent of foreman's commission is 5% and the total amount of commission chargeable on the chit amount is Rs

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 subscriber shall be made without the previous sanction in writing of the Registrar of Chits. Any such transfer shall, if it defeats or delays a non-prized subscriber, be avoidable at the instance of such subscriber.

XI Balance sheet and subscriber's right to examine chit records :

- (1) On termination of a chit, the foreman shall prepare balance sheet containing a summary of the assets and liabilities of the chit and giving such particulars as will disclose the nature of 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 on all the dates of the draw between **4pm to 5 pm**. (here specify the time)

XII Banks where chit money may be deposited :

..... **Bank,**..... **Branch,**..... **District.**

XIII Miscellaneous :

- (1) The subscriber who gets his prize at the last installment shall be entitled to the chit amount less the foreman's commission. The foreman shall pay up such amount within 30 days after the date of termination of the chit failing which the prized subscriber shall be competent to realize the amount from the foreman together with the interest due thereon from 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 subscribers. Similarly, the security and all chit money's deposited by the foreman shall be liable for a 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.
- (4) The chit amount shall in no case be enhanced, but if necessary it may be reduced.
- (5) The foreman shall convene a meeting on the registration in writing of not less than 25 per cent of the number of non-prized and unpaid prized subscribers for making any alternation in the chit agreement not inconsistent with the provision of the Act and the Rules made there under.
- (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 discount within 30 days failing which it shall be competent to 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 where 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 their under.
- (8) If before the termination of the chit, the foreman dies or otherwise becomes unable to conduct the chit.
- (i) Here specify the arrangements made for the conduct of the chit.
- (ii) In such a case any 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 or 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 for any default in the payment of stipulated installments, etc.
- (10) The subscribers who have affixed their signature hereunder agreed to the above articles.

Full Name (Capital Letters) :

Address :
.....

District :

Post Office : Pincode :

PAN number : Land Phone : Mobile :

Age : Date of Birth :

Education Qualifications :

Occupation : Designation :

Occupational Address :
.....

Monthly Income :

Name of Father / Mother / Husband :

Name of Nominee : Relationship :

Address for Communication :
.....

District :

Post Office : Pincode :

Signature of Subscriber :

Name Address and Signature of Witness

1.
.....
.....

Signature :

2.
.....
.....

Signature :

Place :

Date :

Foreman :

Chittal Number :

Assistant Chitty Registrar