

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1999
ANSWERED ON:01.12.2000
AMENDMENTS IN THE CHIT FUNDS ACT,1982
RAMSHETH THAKUR

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government are considering to make amendments in the Chit Funds Act, 1982;
- (b) if so, the details of the amendments proposed to be made; and
- (c) the time by which a Bill in this regard is likely to be introduced in the Parliament?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL) :

(a) to (c) Yes, Sir. Chit Funds (Amendment) Bill, 2000 has been introduced in Rajya Sabha in the current session. The details of the amendments in the Bill are as under:

- (i) to enhance the ceiling on discount to be foregone by a prized subscriber from thirty per cent to forty per cent;
- (ii) to enhance the aggregate chit amount commenced or conducted by a foreman other than a firm or other association of individuals or company or cooperative society, from twenty five thousand rupees to one lakh rupees and the ceiling of aggregate chit amount of the chits conducted by the firm or other association where the number of partners of the firm or the Individuals is not less than four from one lakh rupees to six lakhs rupees and in any other case from ceiling of twenty five thousand rupees calculated with respect to each partner or individual to one lakh rupees.
- (iii) Security to be given by a foreman for proper conduct of the chit, deposit in the name of the Registrar for an amount equal to fifty per cent of the chit amount in cash in an approved bank and fifty per cent of the chit amount in the form of bank guarantee from an approved bank.