

Dispute Settlement Procedure

Under the Madras Chit Funds Act, 1961, the provisions of which were applicable till 31st March, 2007, any dispute regarding payment could be settled only by a civil court as Registrar has no power. Also, the subscribers could also directly approach the civil court or consumer forums for recovery of their dues against Chit Fund Companies without filing complaint in the office of Registrar Chit Fund.

However, provisions of the Chit Funds Act, 1982 have been made applicable in NCT of Delhi w.e.f. 1st of April 2007 and as per section 64 of the above Act, any aggrieved subscriber/chit fund company can approach the Registrar of Chits for arbitration.