

REMOVAL OF A SUBSCRIBER FROM THE CHIT GROUP

If the foreman company wants to remove a defaulting subscriber from a chit group, he shall:-

- a) Give a written notice of such removal of the subscriber within 14 days of such removal,
- b) File a true copy of such removal with the RCF, Delhi within 14 days of the date of such removal,
- c) Not substitute any defaulting subscriber until the expiry of the period of approval i.e. within 7 days from the date of receipt of notice of removal by the subscriber or where in appeal/arbitration is pending before the RCF, Delhi, till the same has been disposed of.

Any defaulting subscriber aggrieved by the removal of his/her name from the list of subscribers may, within 7 days of the date of receipt of the notice of removal, refer the matter to the Registrar, Chit Funds, Delhi for arbitration under section 64 of the Chit Funds Act, 1982 in respect of chit commenced on or after 01.04.07.

The Registrar, Chit Funds, may after giving the parties an opportunity of being heard, pass such orders on the appeal as he thinks fit and the decision of the Registrar shall be final.