

KARNATAKA ACT NO 2 OF 2008
THE CHIT FUNDS (KARNATAKA AMENDMENT) ACT, 2007
Arrangement of Sections

Sections:

1. Short title and commencement
2. Amendment of section 70
3. Amendment of section 84

STATEMENT OF OBJECTS AND REASONS

Under section 70 of the Chit Funds Act, 1982 (Central Act 40 of 1982) any party aggrieved by any order passed by the Registrar or the nominee or the award of the Registrar or the nominee under section 69 of the Act may appeal to the State Government. A number of appeals have been filed before the Government and there is considerable delay in disposal of the said appeals.

It is considered necessary to delegate the said power of hearing appeals to the sub-ordinate Officers. The power to hear appeals cannot be delegated under section 84 of the Act. Hence it is considered necessary to amend section 70 and section 84 of the Chit Funds Act, 1982 in so far as it is applicable to the State of Karnataka to empower the State Government to delegate the power to hear appeals to the subordinate Officers for expeditious disposal of the appeals.

Hence the Bill.

(LA Bill No.31 of 2007, File No.DPAL 2 Shashana 2007)

(Entry 7 of List III of the Seventh Schedule to the Constitution of India)

Karnataka Act No. 2 of 2008

(First published in the Karnataka Gazette Extra-ordinary on the Sixteenth day of July 2008)

THE CHIT FUNDS (KARNATAKA AMENDMENT) ACT, 2007

(Received the assent of the President on the First day of July 2008)

An Act to amend the Chit Funds Act, 1982 in its application to the State of Karnataka.

Whereas it is expedient to amend the Chit Funds Act, 1982 (Central Act 40 of 1982) in its application to the State of Karnataka for the purposes hereinafter appearing;

Be it enacted by the Karnataka State Legislature in the fifty-eighth year of the Republic of India as follows:-

1. Short title and commencement.- (1) This Act may be called the Chit Funds (Karnataka Amendment) Act, 2007.

(2) It shall come into force at once.

2. Amendment of section 70.- In the Chit Funds Act, 1982 (Central Act 40 of 1982) (hereinafter referred to as the principal Act),-

- (i) section 70 shall be renumbered as sub-section (1) thereof and in sub-section (1) as so renumbered, after the words "State Government", the words "or to such officer or authority, as may be empowered by notification by the State Government, in that behalf" shall be inserted;
- (ii) after sub-section (1) as so renumbered, the following shall be inserted, namely:-

“(2) The State Government or such officer or authority aforesaid may, after giving the appellant an opportunity of making his representation, pass such orders on the appeal as it or he thinks fit and such order shall be final.

(3) All appeals pending before the State Government, on such date of notification empowering such officer or authority, shall be transferred to such officer or authority and shall be disposed off as if it has been filed before such authority.”

3. Amendment of section 84.- In section 84 of the principal Act, the words “to hear appeals or” shall be omitted.

By Order and in the name of the Governor of Karnataka,

G.K. BOREGOWDA

Secretary to Government,

Department of Parliamentary Affairs and Legislation