

Multiple choice questions from CFA, 1982 & KCFR, 2012

CFA, 1982

1. CFA, 1982 extends to the whole of india except the state of -----

- a) Karnataka b) Chandigarh c) Jammu & Kashmir. d) Kerala

2. As per CFA, 1982, the sum total of the subscriptions payable by all the subscribers for any installment of a chit without any deduction of discount or otherwise is called-----

- a) Chit amount. b) Prize amount c) Sala d) None of these

3. ----- means the share of the subscriber available under the chit agreement for rateable distribution among the subscribers at each installment of the chit.

- a) Discount b) Divident. c) Ticket d) None of these

4. Do not register chits after -----months from the date of attaining prior sanction without State Government approval.

- a) 6 b) 12. c) 18 d) 30

5. Any person aggrieved by the refusal to issue previous sanction order to conduct a chit may appeal to ----- within 30 days of the date of communication to him.

- a) I G of Registration b) ARC c) State Government. d) None of these

6. The name of person furnished in the chit agreement to whom the benefits of the chit may be paid when the subscriber is incapable of making an agreement is -----

- a) Legal heir b) Legal representative c) Spouse d) Nominee.

7. As per CFA, 1982, a company shall not commence or carry on chit business unless it has a paid-up capital of not less than rupees-----

- a) 25000 b) 1 lakh. c) 10% of Profit d) 10 % of Net Owned Fund

8. Under section 13(2) of CFA 1982, a firm constituted by minimum ----- number of partners can conduct chit business with a maximum chit amount of 6 lakhs.

- a) 2 b) 3 c) 4. d) 6

9. Alteration of chit agreement shall not be made except with the consent in writing of the foreman and ----- subscribers to the chit.

- a) Non prized b) Unpaid prized c) Prized d) All.

10. Where any dispute arises with regard to the value of the property offered as security, it shall be referred to the Registrar for arbitration under section-----of CFA 1982.

- a) 20 b) 31 c) 64. d) None of these

11. Chitty auditor is appointed by -----

- a) Registrar of chits. b) ARC c) Foreman d) None of these

12. As per section ----- of CFA 1982, the Registrar shall issue the order of winding up of chits notifying in the Official Gazette.

- a) 54 b) 55 c) 56. d) 57

13. Under section 73 of CFA 1982, ----- has advisory role on questions of policy with respect to this Act.

- a) State Government b) Governor c) Registrar of chits d) RBI.

14. The number of circumstances specified in CFA 1982, for winding up of chits is-----

- a) 6 b) 7 c) 9. d) None of these

15. As per section 75 of CFA 1982, the power to give extension for filing of records is vested in-----

- a) Registrar. b) State Government c) Foreman d)RBI

16. Under section ----- of CFA 1982, Banks are prohibited from conducting chits.

- a) 83 b) 84 c) 85 d) 86.

17. Compensation shall be awarded to the foreman for frivolous and vexatious petitions regarding ----- of chits.

- a) Commencement b) Termination c) Winding up. d) Withdrawal

18. CFA 1982 is not applicable to the commencement of chits with aggregate chit amount which does not exceed rupees-----

- a) 100. b) 25000 c) 1 lakhs d) None of these

19. Section 90 of CFA 1982, deals with-----

- a) Repeal b) Savings c) Both a & b. d) None of these

20. The State Government may in consultation with Reserve Bank exempt all or any of the provisions of CFA 1982 as per section -----

- a) 87. b) 88 c) 89 d) None of these

21. The Registrar and all officers appointed by the State Government to perform any functions under CFA 1982 shall be deemed to be public servants within a meaning of section ----- of Indian Penal Code.

- a) 20 b) 21. c) 22 d) 23

22. All offences under section----- of CFA 1982 shall be cognizable.

- a)11. b) 80 c) Both a & b d) None of these

23. Who can inspect documents in Registrar's office as per CFA 1982.

1. The foreman of a chit
2. Any subscriber of a chit
3. The heirs or legal representatives of any foreman or subscriber

- a)1&2 are correct b)2&3 are correct c) All of the above. d) None of these

24. The maximum fee for inspecting chit documents by non-prized and unpaid prized subscribers under section 44 of CFA 1982 is -----

- a) 5. b) 10 c) 25 d) 100

25. The quorum required for passing a special resolution at a meeting of general body of subscribers is ---- of the subscribers to the chit present at the meeting in person or by proxy.

- a) 1/2 b) 2/3. c) 3/4 d) All

26. Any transfer of rights of a foreman to receive subscription from the prized subscribers is disputed by a subscriber, the burden of proving that the foreman is insolvent is on the -----

- a) Foreman b) Transferer c) Transferee. d) ARC

27. The number of definitions in CFA 1982 is-----

- a) 10 b) 13 c) 19. d) 90

28. A security shall deemed to be sufficient if its value exceeds by ----- of the future subscriptions in the case of securities other than immovable property.

- a) 1.3 times. b) 1.5 times c) 2 times d) None of these

29. CFA 1982 got published in the Gazette of India on -----

- a) 19-08-1982 b) 20.08.1982. c) 30-04-2012 d) None of these

30. Preparation and filing of Balance Sheet is mentioned in ---- section of CFA 1982

- a) 20 b) 22 c) 24. d) 26

31. How many rights does a foreman have as per CFA 1982.

- a) 6 b) 7. c) 9 d) 10

32. Money's collected from subscribers shall invest in trustee securities as per section ----- of The Indian Trusts Act, 1882.

- a) 10 b) 12 c) 15 d) 20.

33. Calculate the aggregate amount of chits conducted by a company from the following data.

Share capital= 100000, Reserve & Surplus= 50000, Past loss= 1000, Deferred revenue expenditure= 24000, Intangible assets= 5000.

- a) 1200000. b) 1500000 c) 1800000 d) None of these

34. As per section 8(3) of CFA 1982, a company doing chitty business shall create and maintain Reserve Fund of Rupees----- if its profit is Rs. 250000.

- a) 250 b) 2500 c) 25000. d) 50000

35. Minimum number of witnesses required to attest each chit agreement is-----

- a) 2. b) 2% of total subscribers c) 3 d) None of these

36. Power of the Reserve Bank to inspect the books and records of a chit of any foreman under the provisions of ----- of the Reserve Bank of India Act, 1934.

a) Section 45A b) Section 45M c) Section 45N. d) Section 45P

37. The period of limitation under section 64 of The Limitation Act, 1963 shall be ----- years from the date as which the subscriber dies or ceases to be the subscriber.

a) 2 b) 3. c) 4 d)5

38. The word chit business is defined in section ----- of the CFA 1982.

a) 2(e). b) 2(f) c) 2(g) d) 2(h)

39. CFA,1982 received the assent of President of India on -----

a) 10-08-1982 b) 19-08-1982. c) 20-08-1982 d) None of these.

40. The first state in which the provisions of CFA, 1982 came into force on -----

a) West Bengal b) Tamilnadu d) Karnataka. d) Kerala

41. ----- subscriber does not include a defaulting subscriber

a) Prized b) Unpaid prized c) Non-prized . d) None of the above

42. RBI Prepared a draft bill for CFA, 1982 in the year-----

a) 1969 b) 1972 c) 1974. d) 1982

43. Duration of a chit commence from-----

a) Date of Commencement. b) Date of Registration of chit
c) Both a & b d) None of these

44. Under sections 28(3), 29(2), 37 and 41 of CFA, 1982 the Registrar has the power to allow further time of not exceeding --- days to file copies of such documents.

a) 7 b) 14 c) 15. d) 21

45. Section 87 of CFA 1982 deals with the power to-----

a) Compound offences b) Delegate c) Make rules d) Exempt.

46. Every prized subscriber shall furnish sufficient security for -----

a) Future subscriptions. b) Chit amount c) Prize amount d) None of these

47. Minimum subscribers needed to conduct the draw of the chit is-----

a) 2. b) 3 c) 4 d) None of these

48. As per CFA 1982, the place of business include-----

a) Branch office b) Sub office
c) Any place of business by such person d) All.

49. Total duration of previous sanction with State Government approval is -----months.

a) 6 b) 12 c) 18. d) 24

50. Approved Bank means the State Bank of India constituted under section ----- of the State Bank of India Act, 1955.

- a) 2 b) 3. c) 4 d) 5

51. The sanction obtained to commence a chit as per section 4 (subsection 1) for CFA 1982 will expire in ----- unless it is further extended.

- a) 3 months b) 6 months c) 12 months . d) none of these

52. The Kerala Chitties Act 1975 had been repealed by section ----- of CFA 1982.

- a) 90 b) 90(1). c) 90(2) d) 91

53. As per section 30(3) of CFA 1982 stipulates that the contribution of defaulting subscriber who has not been substituted, shall be paid to him within ----- days of termination of chit.

- a) 15. b) 21 c) 30 d) none of these

54. Section 80(1) of CFA 1982 declares all offences under ----- shall be cognizable.

- a) section 11 . b) section 19 c) Section 20 d) None of these

55. A chit agreement shall not be altered, added or cancelled except with the consent in writing of ----- to the chit as per section 15.

- a) The foreman only
b) The foreman and all the subscribers .
c) The foreman and non prized subscribers
d) The non prized & unpaid prized subscribers

56. CFA 1982 came into force in Kerala State on ----- as per Central Government notification No. S.O. 950(E) dated 30-04-2012.

- a) 30-04-2012 . b) 08-05-2012 c) 04-06-2012 d) 05-06-2012

57. Every endorsement of registration made by the Assistant Registrar of Chits in the chit agreement shall lapse if the declaration by the foreman is not filed within -----months without the approval of the State Government

- a) 2 b) 3 . c) 6 d) 12

58. If the foreman had been convicted of any offence involving moral turpitude and sentenced to imprisonment will be eligible for prior sanction to conduct a chit after ----- years from his release from imprisonment.

- a) 2 b) 3 c) 4 d) 5 .

59. There are ----- explanations given in the CFA 1982.

- a) 3 b) 5 c) 8 d) 10.

60. The foreman shall be entitled to obtain the chit amount at the first installment without deduction of discount as per section----- of CFA 1982.

- a) 21. b) 21 c) 21 d)21

61. "State Government" in relation to a Union territory means the administrator of that Union territory appointed by the president under article ---- of the constitution

- a) 230 b) 239. c) 240 d) 249

62. Any person aggrieved by ther refusal to issue previous sanction by an officer empowered by the State Government within ----- days of the date of communication to him.

- a)14 b) 21 c)30. d) 60

63. Every chit agreement shall be signed by

- a) Each subscriber or any person authorised by him in writing
b) The foreman
c) At least two witness
d) All of the above.

64. ----- shall be liable in case of violation of any of the provisions of the chit agreement.

- a) Non prized subscriber b) Prized subscriber
c) The foreman d) Any of these.

65. Before granting approval by the Registrar to open a new place of business,-----is to be considered.

- a) The financial condistion and method of operation by the foreman
b) The extent to which the public interest will be served
c) b only
d) both a & b.

66. Demand sufficient security from the prized subscriber for

- a) The due payment of future subscriptions payable by him.**
- b) Prize money due to him**
- c) Amount equal to the chit amount**
- d) None of these**

67. The foreman shall distribute the dividend among the subscribers -----

- a) In cash**
- b) In grain**
- c) Adjustment towards next installment**
- d) Any of these.**

68. Withdrawal of the foreman from a chit is assented to in writing by-----

- a) Non prized subscribers**
- b) Prized subscribers**
- c) Unpaid prized subscribers**
- d) Both a & c.**

69. Foreman to demand future subscriptions from a defaulting prized subscriber by-----

- a) Written notice.**
- b) Telephone**
- c) SMS**
- d) None of these**

70. The Registrar and all officers appointed by the State Government to perform any functions under CFA, 1982 shall be deemed to be the public servants under ----- of the Indian Penal Code

- a) Section 20**
- b) Section 21.**
- c) Section 22**
- d) Section 23**

71. A chit shall be deemed to have terminated

- a) When the period specified in the chit agreement has expired**
- b) When all the non prized and unpaid prized subscribers and the foreman consent in writing**
- c) When a foreman dies or becomes of unsound mind or is otherwise incapacitated and the chit is not continued in accordance with the provisions of the chit agreement**
- d) Any one of these.**

72) The period of limitation regarding the dispute relating to the chit business is-----

- a) 1 year**
- b) 2 years**
- c) 3 years.**
- d) 4 years**

9) As per rule -----of KCFR 2012, when money is due from the foreman to a subscriber and also from the subscriber to the foreman, the subscriber shall be allowed the benefit of a set-off.

- a) 35 b) 36. c) 37 d) 38

10) Appeal to the State Government shall be in the form of a memorandum which shall be affixed with court fee stamps of Rs. -----

- a) 5 b) 25 c) 50 d) 150.

11) Period of retention of chit records in the office of the Registrar is-----years from the release of the security.

- a) 8 b) 12. c) 13 d) None of these

12) Any officer empowered by the State Government shall issue a show cause notice under sections 76 or 77 of CFA, 1982 against any person who has committed or reasonably suspected to have committed any offence under the Act, asking him to show cause within a period of -----

- a) 7 days b) 14 days c) 15 days. d) 30 days

13) If there is any difference between Act and Rules, ----- will prevail.

- a) Act. b) Rules c) both a & b d) None of these

14) As per Rule -----the time frame before first draw was substituted to before second draw regarding the furnishing of pass book by foreman to the subscriber.

- a) 13(1) b) 13(2). c) 13(3) d) 13(4)

15) Qualification for appointment as Registrar's nominee is ----- from a University recognised by the Government of Kerala and holds office as a Deputy Registrar or District Registrar or Sub Registrar in the Registration Department.

- a) Degree in Law. b) Post Graduate in Law c) both a & b d) None of these

16) Previous sanction fee to commence or conduct a chit is Rs.-----

- a) 2 b) 10 c) 25. d) 5% of chit amount

17) Fee for filing a chit agreement under section 7(1) of CFA, 19682 is Rs.-----

- a) 10. b) 250 c) 750 d) None of these

18) Authorised agent means a person duly authorised by a power of attorney ----- in accordance with the provisions of the Registration Act, 1908.

- a) executed & authenticated b) registered c) a or b. d) none of these

19) In exercise of the powers conferred by section 89 of CFA, 1982, the Government of Kerala in consultation with the ----- hereby make the KCFR, 2012.

- a) Governor b) Reserve Bank. c) I G of Registration d) none of these

20) Every chit registered under CFA, 1982 shall be numbered serially by the Registrar in separate series for each -----

a) Calendar year. b) Financial year c) Both a & b d) None of these

21) Form of minutes of proceedings under sections 17 and 18 of CFA, 1982 is-----

a) Form X b) Form XX. c) Form XXV d) Form XXVIII

22) Register of application for previous sanction to commencement or conduct of chits shall maintain in the office of The Deputy Registrar of Chits of the district is in form no-----

a) I b) IV c)XXVI. d) XXVII

23) Fee for every appeal to the State Government under section 74 of CFA, 1982 is---

a) Rs. 10/- b) Rs. 25/- c) Rs.100/- d) Rs. 150/-

24) Every notice to be given by a foreman to the subscribers in a chit under section 16 shall be in form-----

a) V b) VII c) VIII d) IX.

25) The appointment of officers is mentioned in rule ----- of KCFR, 2012.

a) 1 b) 2 c) 3. d) 4

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