Chapter VI - Transfers

- Transfers (34 to 37)

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34. Restrictions on transfer of rights of foreman.-

(1) No transfer of the rights of a foreman to receive subscriptions from the prized subscribers shall be made without the previous sanction in writing of the Registrar.

(2) Any transfer of the rights of a foreman to receive subscriptions from the prized subscribers shall if it is likely to defeat or delay the interests of a non-prized or unpaid prized subscriber, be voidable at the instance of such subscriber.

(3) When under sub-section (2)a transfer is disputed by a subscriber, the burden of proving that the foreman was in solvent circumstances at the time of the transfer and that the transfer does not defeat or delay the interests of such subscriber is on the transferee.

35. Transfer of non-prized subscribers rights to be in writing.- Every transfer by a non-prized subscriber of his rights in the chit shall be in writing duly attested by at least two witnesses and shall be filed with the foreman.

36. Recognition of transfer by foreman.- Every transfer under section 35 shall within a period of fourteen days from the date of receipt of the proposal for transfer by the foreman, be recognised by him unless the transferee is not solvent or the transfer was effected with a view to defeating the provisions of any law including this Act and the decision of the foreman to recognize the transfer or not shall forthwith be communicated to the parties concerned.

37. Entry of transferees name in the books.- Every transfer under section 34 or section 35 shall be entered by the foreman in the books of the chit forthwith and a true copy of such entry shall be filed by the foreman with the Registrar within fourteen days from the date of making such entry.