Rights and Duties of Foreman (24 to 26)

24.Balance sheet.- Without prejudice to the provisions of the Companies Act, 1956 (1 of 1956.),every foreman shall prepare and file with the Registrar within such item as may be prescribed, a balance sheet as on the last date of each calendar year, or as the case may be the financial year of the foreman, and a profit and loss account relating to the year of account, in the forms set out in Parts I and II of the Schedule or as near thereto as circumstances admit, in respect of the chit business and audited by auditors qualified to act as auditors under the Companies act, 1956, or by chit under appointed under section 61:

Provided that where a balance sheet is audited by an auditor qualified to act as auditor under the Companies Act, 1956 (1 of 1956.), a chit auditor appointed under section 61 shall have the right to audit the balance sheet at any time if so authorised by the Registrar in
this behalf.

25.Liability of foreman to subscribers.-

(1) Every foreman shall be liable to account to the subscribers for the amounts due to them.

(2) Where there is more than one foreman in a chit, each one of them jointly and severally and if the foreman is a firm or other association of individuals each one of the partners or individuals thereof jointly and severally and if the foreman is a company, the company as such, shall be liable to the subscribers in respect of the obligations arising out of the chit.

26. Withdrawal of foreman.-

(1) No foreman, or where there is more than one foreman in a chit, none of them shall withdraw from the chit until its termination unless such withdrawal is assented to in writing by all the non-prized and unpaid prized subscribers and a copy of such assent has been filed with the Registrar under section 41.

(2) The withdrawal from a chit of any one of the foremen shall not affect the security given by him under section 20 or section 31.

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