Rights And Duties Of Prized Subscribers (31 to 33)

31. Prized subscriber to furnish security.- Every prized subscriber shall, if he has not offered to deduct the amount of all future subscription from the prize amount due to him, furnish and a foreman shall take, sufficient security for the due payment of all future subscriptions and if the foreman is a prized subscriber, he shall give security for the due payment of all the future subscription to the satisfaction of the Registrar.

32. Prized subscriber to pay subscriptions regularly.- Every prized subscriber shall pay his subscription regularly on the dates and times and at the place mentioned in the chit agreement and on his failure to do so, he shall be liable to make a consolidated payment of all the future subscriptions forthwith.

33. Foreman to demand future subscriptions by written notice.-
(1) A foreman shall not be entitled to claim a consolidated payment from a defaulting prized subscriber under section 32 unless he makes a demand to that effect in writing.

(2)Where a dispute is raised under this Act by a foreman for a consolidated payment of future subscriptions from a defaulting prized subscriber and if the subscriber pays to the foreman on or before the date to which the dispute is posted for hearing the arrears of subscription till that date together with the interest thereon at the rate provided for in the chit agreement and the cost of adjudication of the dispute, the Registrar or his nominee, hearing the dispute, shall notwithstanding any contract to the contrary, make an order directing the subscriber to pay to the foreman the future subscription on or before the dates on which they fall due, and that, in case of any default of such payments by the subscriber

, the foreman, shall be at liberty to realise, in execution of that order, all future subscriptions and interest together with the costs, if any less the amount, if any already paid by the subscriber in respect thereof:

Provided that if any such dispute is on a promissory note, no order shall be passed under this sub-section unless such promissory note expressly states that the amount due under the promissory note is towards the payment of subscriptions to the chit.

(3) Any person who holds any interest in the property furnished as security or part thereof, shall be entitled to make the payment under sub-section (2).

(4) All consolidated payments of future subscriptions realised by a foreman shall be deposited by him in an approved bank mentioned in the chit agreement before the date of the succeeding installment and the amount so deposited shall not be withdrawn except for payment of future subscriptions.

(5) Where any property is obtained as security in lieu of the consolidated payment of future subscriptions it shall remain as security for the due payment of future subscriptions.

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