

Source: sooperkanoon.com/act/449358

Chit Funds Act, 1982

Section 39 - Provision for continuation of chits in certain cases.—

TERMINATION OF CHITS¹) Where a foreman dies or becomes of unsound mind or is otherwise incapacitated, the chit may continue in accordance with the provisions of the chit agreement. (2) Where a foreman is adjudicated insolvent, or withdraws from the chit under section 26, or fails to conduct the chit at any instalment or on any other date before the next succeeding instalment as may have been agreed upon by a special resolution, any one or more of such subscribers authorised by such resolution may, in the absence of any provision in the chit agreement for the future conduct of the chit, take the place of the foreman and continue the chit or make other arrangements for the further conduct of

Section 40 - the chit