



GOVERNMENT OF INDIA

# Chandigarh Administration Gazette

## EXTRAORDINARY

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FINANCE DEPARTMENT  
STATISTICAL CELL

### Notification

The 13th June, 2007

**No. 3/4/02/RO(1-2)/534.**—In exercise of the powers conferred by Section 18 of the Bihar Protection of Interests of Depositors (in Financial Establishments) Act, 2002 (Bihar Act 18 of 2002) as extended to the Union Territory, Chandigarh by the Government of India, Ministry of Home Affairs, Notification No. G.S.R. 676 (E), dated 27th October, 2006, and all other power enabling him in this behalf, the Administrator, Union Territory, Chandigarh hereby makes the following rules, namely :—

#### 1. Short title-Extent and Commencement :

(1) These rules may be called the Chandigarh Administration Protection of Interest of Depositors (in Financial Establishments) Rules, 2007.

(2) It shall extend to whole of the Union Territory of Chandigarh.

(3) It shall come in force at once.

#### 2. Definitions :

In these rules, unless the context otherwise requires :

(a) "Act" means the Bihar Protection of Interest of Depositors (in Financial Establishments) Act, 2002 (Bihar, Act 18 of 2002) as extended to Union Territory, Chandigarh,—*vide* Government of India, Ministry of Home Affairs Notification No. G.S.R. 676 (E), dated 27th October, 2006.

(b) "Competent Authority" means the Finance Secretary, Chandigarh Administration appointed under Section 5(1) of the Act.

(c) The "Collector" means Deputy Commissioner of the Union Territory, Chandigarh.



### 3. Complaints :

The Deputy Commissioner shall also be competent to receive the complaints from any person in the Union Territory, Chandigarh under sub-section (1) of Section 4 of the Act and he shall forward the same together with his report to the Administrator, Union Territory, Chandigarh as soon as possible.

### 4. Power to issue order of attachment :

- (1) An order of attachment of any establishment to be issued by the Administrator, Union Territory, Chandigarh under section 4 of the Act shall be issued by the officer so authorised in this behalf by the Finance Department, Chandigarh Administration.
- (2) The Competent Authority may, on issue of the order under sub-rule (1) of Rule 9, require the necessary assistance of police officer or any officer of the Chandigarh Administration for the purpose of taking possession of the property in respect of which the attachment order has been made and on such requisition, it shall be the duty of such officer to render the necessary assistance to the Competent Authority.

### 5. Examination of Complainant and witnesses :

- (1) Upon the publication of the order of attachment of money or other property by the officer of the Chandigarh Administration under Sub-rule (1) of Rule 4, such officer shall immediately forward copies of all the relevant papers and his/her report relating to such attachment order to the Competent Authority.
- (2) The Competent Authority may examine the complainant and witnesses, if any, and such examination proceedings shall be recorded in writing.
- (3) The Competent Authority shall have power to examine any person or office bearer or employees of the Financial Establishment who, in his opinion, is competent to give any information about the Financial Establishment in respect of which the attachment order has been issued by the Administrator, Union Territory, Chandigarh.

### 6. Administration of the attached money and properties :

Upon the publication of the attachment order by the Administrator, Union Territory, Chandigarh and, on the receipt of relevant papers and other record from the Administrator, Union Territory, Chandigarh, the Competent Authority shall immediately prepare a register, recording detailed account and description of all the money and properties attached and vested in him under sub-section (2) of Section 4 of the Act, and shall, as far as may be practicable, administer the said money and properties in the best interest of the Depositors and the Financial Establishment as he deems fit.

### 7. Right of Competent Authority to require information :

- (1) The Competent Authority shall have power to call for or require any information about the Financial Establishment or its office bearers including the promoter, director, partner or manager or members of such Financial Establishment or direct any office or authority of the Chandigarh Administration or a local authority or any other person, to furnish such information as may be required, and such Financial Establishment or its office bearer or promoter, director, partner or manager or members of such Financial Establishment or office or authority of the Chandigarh Administration or local authority or any other person, shall forth with furnish such information to the Competent Authority.

- (2) Any Financial Establishment/Institution intending to establish an office and operate in Union Territory of Chandigarh shall furnish information in writing to the office of the Deputy Commissioner about the details of its activities, areas of operation and/or business, supported by all necessary papers. This information shall also include its registration by the Registrar of Companies of the Union Territory of Chandigarh as also about the registration and the license obtained from the Reserve Bank of India, Securities and Exchange Board of India or any other regulatory authority for the purpose aforesaid with details of its office structure and specific location/address.
- (3) An officer in charge of the police station, when required by the Competent Authority, shall take all steps, including inquiry, investigation or survey in respect of any person, place, property, documents, books of account etc. of the Financial Establishment or promoter, director, manager, officers, servants or member of such Financial Establishment and submit his report to the Competent Authority.

**8. Powers of Competent Authority relating to absconding person :**

Where the Competent Authority is satisfied or has reason to believe that a person in respect of whom an action is contemplated under the Act, has absconded or is likely to abscond or is concealing himself the Competent Authority shall immediately make a report in writing to the Designated Court.

**9. Powers of Competent Authority to sell or dispose of property :**

- (1) Where any property attached and vested in the Competent Authority under the provisions of the Act is subject to speedy and natural decay and if it is expedient to dispose it, the Competent Authority may, after obtaining permission of the Designated Court, sell or otherwise dispose of the said property and shall include the sale proceeds in the account of the Financial Establishment.
- (2) The Competent Authority shall, after disposing of the said property under sub-rule (1) report the same to the Designated Court.

**10. Maintenance of the record of money or property attached :**

- (1) All money or property attached by the Administrator, Union Territory, Chandigarh and vested in the Competent Authority under the provisions of the Act shall be sealed by the Competent Authority and shall be in the custody of the Competent Authority.
- (2) The Competent Authority shall maintain the record of all the income received and the expenditure incurred on attachment of the property and management and disposal of the same, and furnish the details of the same to the Designated Court from time to time.

11. The Competent Authority shall render such assistance to the Special Public Prosecutor/ Special Government Pleader in conducting the cases in the Designated Court as may be required.

By the Order and in the name of the Administrator, Union Territory, Chandigarh

S. K. SANDHU,

Finance Secretary,  
Chandigarh Administration.