

**MAHARASHTRA PROTECTION OF INTERESTS OF  
DEPOSITORS (IN FINANCIAL ESTABLISHMENTS).  
RULES, 1999**

*Mantralaya, Mumbai 400 032, dated 22nd July, 1999, Published in 1999,  
Mah. G.G. Part IV-Bb, p. 1063.*

No. CIL. 0798/249/POL-12- In exercise of the power conferred by sub-section (1) of section 16 read with sub-section (2) of section 5 of the Maharashtra Protection of Interests of Depositors (in Financial Establishments) Ordinance, 1999 (Mah. Ord. VII of 1999), the Government of Maharashtra hereby makes the following rules, namely-

**1. Short title-**

These rules may be called the Maharashtra Protection of Interests of Depositors (in Financial Establishments Rules, 1999.

**2. Definitions-**

In these rules, unless the context otherwise requires-

(a) "Competent Authority" means the Officer appointed as the Competent Authority by the Government under section 5(1) of the Ordinance;

(b) "Ordinance" means the Maharashtra Protection of Interests of depositors (in Financial Establishments), Ordinance, 1999 (Mah. Ordinance. VII of 1999).

**3. Power to issue order of attachment-**

(1) An order attaching the money and other property of a Financial Establishment to be issue by the Government, under section 4 of the Ordinance shall be issued by an officer not below the rank of a secretary to Government in Home Department.

(2) The competent Authority may, on issue of the order under sub-rule (1), seek the necessary assistance of police officer or any officer of the Government for the purpose of taking possession of the property in respect of which has 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.

**4. Examination of Complainant and Witnesses-**

(1) Upon the publication of the order of attachment of money or other property by Government Officer under sub-rule (1) of rule 3 such officer shall, immediately forward copies of all the relevant papers and 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, will be able to give any information about the Financial Establishment in respect of which the attachment order has been issued by the Government.

#### **5. Administration of the attached monies and properties—**

Upon the publication of the attachment order by the Government and, on the receipt of relevant papers and record from the Government the Competent Authority shall immediately prepare a register, giving detailed account or description of all the monies and properties attached and vested in him under sub-section (2) or section 4 of the Ordinance, and shall, as far as may be practicable, administer the said monies and properties in the best interest of the Depositors and the Financial Establishment, as he deems fit.

#### **6. Competent Authority's right 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, to direct any officer or authority of the Government 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 any officer or authority of the Government or local authority or any other person, shall forthwith furnish such information to the Competent Authority.

(2) An officer incharge 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 members of such Financial Establishment.

#### **7. Power 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 Ordinance, has absconded or is likely to abscond or is concealing himself, the Competent Authority shall immediately make such report in writing to the Designated Court.

#### **8. Power of Competent Authority to sell or dispose of Property—**

(1) Where any property attached under sub-section (1), of section 4 of the Ordinance and vested in the Competent Authority under sub-section (2) of the said section 4, is subject to speedy and natural decay or if it is otherwise expedient so to do, the Competent Authority may, after obtaining permission of the Designated Court, sell or otherwise dispose of the said property and include the 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.

**9. Maintenance of the record of money or property attached-**

(1) All money or property, attached by the Government and vested in the Competent Authority under sub-section (2) of sections 4 of the Ordinance 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 from the expenditure incurred for, the property received, managed and disposed, and furnished the same to the designated court, from time to time.

**10. Competent Authority to assist Special Public Prosecutor-**

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

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