

## **ANDHRA PRADESH PROTECTION OF DEPOSITORS OF FINANCIAL ESTABLISHMENTS RULES, 1999**

### **CONTENTS**

1. Short title
2. Definitions
3. Ad interim order and examination of the complainant and witnesses
4. Competent Authority's Right to require information
5. Powers relating to Absconding persons
6. Power to freeze or seize property
7. When an order is made attaching the money or other property, transfers void
8. Competent Authority to assist Special Public Prosecutor
9. Power of Government to remove difficulty
10. Protection of Action taken in good faith

## **ANDHRA PRADESH PROTECTION OF DEPOSITORS OF FINANCIAL ESTABLISHMENTS RULES, 1999**

1st November, 1999

### **1. Short title :-**

These Rules may be called the Andhra Pradesh Protection of Depositors of Financial Establishments Rules, 1999.

### **2. Definitions :-**

In these Rules, unless the context otherwise requires--

- (a) "Act" means the Andhra Pradesh Protection of Depositors of Financial Establishments Rules, 1999 (Act 17 of 1999);
- (b) "Collector" means the District Collector and District Magistrate;
- (c) "Competent Authority" means the authority appointed by the Government under Section 4 of the Act.

### **3. Ad interim order and examination of the complainant and witnesses :-**

- (1) The Government shall pass the ad-interim order of attachment under Section 3 of the Act.
- (2) Upon receipt of the orders of the Government under sub-rule

(1), the competent authority may examine the complainant and such examination shall be reduced in writing.

(3) The competent authority shall have power to examine any person who in his opinion will be able to give any information about the financial establishment, and no oath shall be administered to such person.

#### **4. Competent Authority's Right to require information :-**

The competent authority shall have power to require any financial establishment or its Officers or 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 Officer or authority of the Government or local authority or person shall furnish such information to the competent authority.

#### **5. Powers relating to Absconding persons :-**

(1) Where the Competent Authority is satisfied or has reason to believe that a person in respect of whom action is contemplated under the Act has absconded or is concealing himself, the Competent Authority shall make a report in writing to the special Court.

\*[(2) Where the competent authority is satisfied or has reason to believe that a financial establishment has committed a default punishable under Section 5 of the Act, the competent authority shall be competent to launch prosecution before the Special Court against the financial establishment and any person responsible for the management of the affairs of the financial establishment including the Promoter, Manager or Member of the Financial Establishment for levy of penalty under Section 5 of the Act.]

#### **6. Power to freeze or seize property :-**

(1) Where the Competent Authority is satisfied or has reason to believe that any property which is liable to be attached under the Act is likely to be concealed, transferred or dealt with in any manner which will result in defeating the purpose of the Act, may make an order seizing such property or where it is not practicable to seize such property, make an order that such property shall not be transferred or otherwise dealt with except with the prior permission of the special Court.

(2) The competent authority may take the assistance of any

subordinate officer of the Government to take possession of the property in respect of which an order of seizure or freezing has been made under sub-rule (1).

(3) Any Officer-in-charge of 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., for the purpose of tracing and identifying the properties.

(4) The Competent Authority shall maintain a record of all income received and expenditure incurred of the property received, managed, and disposed and furnish the same to the special Court.

**7. When an order is made attaching the money or other property, transfers void :-**

When an ad-interim order attaching the money or other property of a Financial Establishment is made by the Government under Section 3 of the Act, such money or property referred to in the order shall not be transferred to any other person by any mode whatsoever and if any such transfer is made, it shall be null and void.

**8. 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 special Court, as may be required.

**9. Power of Government to remove difficulty :-**

If any difficulty arises in carrying out the provisions of the Act or the rules the Competent Authority shall refer it to the Government and the Government may pass such order as they deem fit in accordance with the provisions of the Act.

**10. Protection of Action taken in good faith :-**

No suit, prosecution or other proceedings shall lie against the Government or the Competent Authority or against any person for anything done or intended to be done in good faith for the purpose of carrying out the provisions of the Act or the Rules.