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PART II-A

GOVERNMENT OF MEGHALAYA
FINANCE (ECONOMIC AFFAIRS) DEPARTMENT
INSTITUTIONAL FINANCE BRANCH
ORDERS BY THE GOVERNOR

NOTIFICATION

The 17th October, 2007.

No.FIF.1/96/28.—In exercise of the powers conferred by sub-section (1) of section 19 of the Meghalaya Protection of Interest of Depositors (In Financial Establishments) Act, 2006 (Meghalaya Act No. 6 of 2006), the Governor of Meghalaya hereby makes the following rules, namely,-

**THE MEGHALAYA PROTECTION OF INTEREST OF DEPOSITORS
(IN FINANCIAL ESTABLISHMENTS) RULES, 2007.**

1. **Short title and Commencement.**—(1) These Rules may be called the Meghalaya Protection of Interest of Depositors (In Financial Establishments) Rules, 2007.
(2) They shall come into force from the date of their publication in the Official Gazette.
2. **Definition.**—In these Rules, unless the context otherwise requires,
 - (1) “Act” means the Meghalaya Protection of Interest of Depositors (In Financial Establishments) Act, 2006 (Act No. 6 of 2006)
 - (2) “Collector” means the Collector of a District and includes the Deputy Commissioner. District Magistrate and any officer appointed to perform the functions of a Collector;
 - (3) “Competent Authority” means the Authority appointed by the Government under sub-section (1) of Section 4 of the Act;
 - (4) “Form” means the form appended to these Rules; and
 - (5) “Rules” means the Meghalaya Protection of Interest of Depositors (In Financial Establishments) Rules, 2007.
3. **Order and examination of the Complainant and witnesses.**—(1) The State 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 be reduced to 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. **The Competent Authority's right to require information.**—The Competent Authority shall have power to require any Financial Establishment or its Officer 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. **Power relating to absconding person.**—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.
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 Sub-ordinate Officer of the Government to take possessions of the property in respect of which an order of seizure or freezing has been made under sub-rule (1).
- (3) Any officer incharge 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 furnished the same to the Special Court.
7. **When an order is made attaching the money or other property, transfers void.**—When an order attaching the money or other property of a Financial Establishment is made by the Governments under rules 3 of these rules, such money or property referred to in the order shall not be transferred to any other persons by any mode whatsoever and if any such transferred 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.

B. K. DEV VARMA,
Principal Secretary to the Govt. of Meghalaya,
Finance Department.