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The Arunachal Pradesh Gazette

EXTRAORDINARY
PUBLISHED BY AUTHORITY

No. 60, Vol. XXIV, Naharlagun, Monday, March 6, 2017 Phalguna 15, 1938 (Saka)

ARUNACHAL PRADESH
LEGISLATIVE ASSEMBLY SECRETARIAT

The 6th March, 2017

No. LA/Bill-5/2017.—The following Bill introduced in the Arunachal Pradesh Legislative Assembly on the 6th March, 2017 is published under Rule 73 of the Rules of Procedure and Conduct of Business in Arunachal Pradesh Legislative Assembly for general information.

BILL NO. 5 OF 2017

**THE ARUNACHAL PRADESH PROTECTION OF INTEREST OF
DEPOSITORS (IN FINANCIAL ESTABLISHMENTS) BILL, 2017**
(As introduced in the Legislative Assembly on 6th March, 2017)

A

BILL

to protect the deposits made by the public in the Financial Establishment and matters connected therewith and incidental thereto.

Be it enacted by the Arunachal Pradesh Legislative Assembly in the Sixty eighth Year of the Republic of India as follows:

CHAPTER –I

Short title, extent and commencement :

- (1) This Bill may be called the Arunachal Pradesh Protection of interests of Depositors (in Financial Establishment) Bill, 2017.
- (2) It extends to the whole of Arunachal Pradesh.
- (3) It shall come into force on the date of its publication in the Official Gazette.

Definition :

- In this Bill, unless the context other wise requires.
 - “**Competent Authority**” means the Authority appointed by the Government under section 6.
 - “**Deposit**” means and shall be deemed always to have included any receipt of Money or acceptance of any valuable commodity by any Financial Establishment to be returned after a specified period of time or otherwise, either in cash or in kind or any form of a specified service with or without any benefit in the form of interest, bonus, Profit or any other form but does not include :-
 - amount raised by way of share capital or by way of debenture, bond or any other instrument covered under the guidelines given and regulations made, by the Securities and Exchange Board of India, established under the Securities and Exchange Board of India Act, 1992;
 - amounts contributed as capital by partners of a firm;
 - amounts received from a Scheduled Bank or a Co-operative Bank or any other Banking Company as defined in clause (c) of section 5 of the Banking Regulation Act, 1949;

- (iv) any amount received from:
 - (a) the Industrial Development Bank of India.
 - (b) a State Financial Corporation.
 - (c) any financial institution specified in or under section 4 A of the Companies Act, 1956 or
 - (d) any other institution that may be specified by notification by the Government in this behalf ; or
 - (e) any amount received in the ordinary course of business by way of
 - (i) security deposit
 - (ii) dealership deposit
 - (iii) earnest money
 - (iv) advance against order for goods or services
 - (v) any amount receive from an individual or a firm an association of individual registered under any enactment relating to money lending which is for the being in force in the State of Arunachal Pradesh; and
 - (vi) any amount received by subscription in respect of chit

Explanation-I :

“Chit”has same meaning as assigned to it in clause (b) of section 2 of Chit Funds Act, 1982;

Explanation-II.

Any credit given by a seller to a buyer on the sale of any property (whether movable or immovable) shall not be deemed to be deposit for the purpose of this clause;

- (c) “Financial Establishment” means an individual or an association of individuals or a firm, or a company registered under the Companies Act, 1956 and carrying on the business of receiving deposits under any scheme or arrangement or in another manner and includes the Non Banking Financial Companies (NBFC) as defined in section 45 I (c) and (f) of the Reserve Bank of India Act 1934, but does not include a Corporation or a co-operative society owned or controlled by any States Government or the Central Government, or a banking company as defined under section 5 (c) of the Banking Regulation Act, 1949.
- (d) ”Depositor” means a person who has made deposits with Financial Establishment;
- (e) ”Government” means the State Government of Arunachal Pradesh;
- (f) “any other officer authorized by Government in order to carry out the purposes of this Act” means an officer empowered by the Government, by notification in the Official Gazette, in order to carry out the purposes of this Act;
- (g) ”the Deputy Commissioner” means the Deputy Commissioner of the District;
- (h) “the Superintendent of Police of the District” means the senior most police officer in-charge of the police District and shall be deemed to have included his subordinate officers;
- (i) ”the Bureau of Investigation (Economic Officers)” means the Bureau of investigation (Economic Offences) under the Government of Arunachal Pradesh;
- (j) ”Competent Regulatory authority” means and includes Reserve Bank of India (RBI), Securities and exchange Board of India (SEBI), Insurance Regulatory and Development Authority (IRDA), Registrar of Companies (RoC), Registrar of Cooperative Societies, Government of Arunachal Pradesh or any other Authority empowered by the Central or State Government from time to time by a notification in the Official Gazette;
- (k) “Special Court” means the Court of District and Session Judge of Competent Jurisdiction or the Special Court constituted under this Act”.
- (l) ‘prescribed’ means prescribed by rules made under this Act

CHAPTER –II

Fraudulent Financial Establishment

3. Notwithstanding anything contained in any other law for the time being in force,

(i) Where, upon complaint received from a number of depositors that any Financial Establishment default the return of deposit after maturity or fails to pay interest on deposit

or fails to provide the service for which deposit has been made, or any report from the Deputy Commissioner or an officer not below the rank of Superintendent of Police of the Bureau of investigation (Economic Offences) of the respective jurisdiction or otherwise, that any Financial Establishment has-

- (a) received deposits from public by indulging in a fraudulent act; or
- (b) failed to return the deposit after maturity or on demand by depositors; or
- (c) failed in payment of interest on deposit or other assured benefit; or
- (d) failed to provide the service against such deposit; and/or

(ii) Where the Government has reason to believe that any Financial Establishment is acting in a calculated manner with an intention to defraud the depositors, and if the Government is satisfied that such Financial Establishment is not likely to return the deposits or to make payment of interest or to provide the service, the Government may, in order to protect the interest of the depositors of such Financial Establishment pass an ad-interim order by publishing it in the Official Gazette, attached the money or other property alleged to have been procured either in the name of the Financial Establishment, or in the name of any other person from and out of the deposits collected by the Financial Establishment, or if it is transpires that such money or other property is not available for attachment or not sufficient for repayment of the deposits, such other property of the said Financial Establishment or the promoter, manager or member of the said Financial Establishment, or a person who has borrowed money from the Financial Establishment to the extent of his default or such other properties of that person in whose name the properties were purchased from and out of the deposit collected by the Financial Establishment, as the Government may think fit, transfer the control over the said money or property to the competent authority.

Explanation-1:- For the purposes of clause (i) any Financial Establishment receiving deposits from public in violation of any law for the time being in force or without valid registration/license/permission from a competent Regulatory Authority or dresses, Camouflages its deposit taking in the form of any other business or activity shall be deemed to be indulging in fraudulent act.

Explanation-2:- the expression "Government" for the purpose of this section shall mean and include the Finance Department of the Government of Arunachal Pradesh".

4. Authority to receive complaint and cause enquiry and investigation :

(1) Notwithstanding anything contained in section 3, any person or public in general aggrieved against any Financial Establishment receiving deposits from Public may file a complaint in writing specifically mentioning the nature of allegations against the Financial Establishment: before

- (i) the Deputy Commissioner or any officer not below the rank of the Superintendent of police of the Bureau of Investigation (Economic Offences) of the respective Jurisdiction, who shall be competent to receive the complaint and cause enquiry and or Investigation of the complaints so received in respect of any fraudulent act as referred to under sub- section (i) of section 3.
- (ii) An officer not below the rank of Circle Officer of the concerned Revenue Circle, the Superintendent of Police of the District or the Officer-in-Charge of the Police station concerned, as the case may be shall forward the compliant to the Deputy Commissioner of the District within seven days of the receipt of the compliant.

(2) Notwithstanding anything contained in section 3 and clause (ii) of sub-section (1) of this section, the Circle Officer of the Revenue Circle or the Superintendent of police of the District or the Officer-in-Charge of the police station within their respective Jurisdiction, may suo-moto file a complaint with the Deputy Commissioner against any Financial Establishment which according to information received by him has committed any one or more of the acts mentioned under sub-section (i) of section 3.

(3) On receipt of the complaints, the Deputy Commissioner may make such further enquiry/enquires as may be necessary within his jurisdiction or outside his jurisdiction with the assistance of the District Administration of the concerned District for the purpose of arriving at a conclusion with respect to the complaint made against the Financial Establishment.

(4) In making such enquires, the Deputy Commissioner may take necessary assistance of an officer sub-ordinate to him for the purpose of preparation of the enquiry report.

(5) the Deputy commissioner or an officer not below the rank of Superintendent of Police of the Bureau of Investigation (Economic Offences) shall forward his report together with the compliant to the Government in all cases within 90 (ninety) days from the date of receipt of the compliant.

(6) Notwithstanding anything contained in sections 3 and 4, the Deputy Commissioner of the concerned District, on receipt of information against any Financial Establishment as regard commission of any fraudulent activities as mentioned in clause (i) of section 3, may suo-moto, cause an enquiry and/ or investigation of such fraudulent activities and submit a report to the Government for necessary action.

(7) Notwithstanding anything contained in sections 3 and 4, the Government may suo-moto or on receipt of any complaint under clause (i) of section 3 may cause enquiry and/or the complaint by the Deputy Commissioner of the concerned District or cause enquiry and/ or investigation of the complaint or fraudulent transaction referred to in sub-section (i) of section 3 through the Bureau of investigation (Economic Offences) or through any other investigation Agency.

Offences to be cognizable and non-bailable :

5. Any offence committed under this Act shall be cognizable and non-bailable within the meaning of the code of Criminal procedure, 1973.

6. Competent Authority :

(1) The Government may, by notification, appoint an authority hereinafter called "the Competent Authority" to exercise control over the properties attached by the Government under Section 3.

(2) The competent authority shall have such other powers as may be necessary for carrying out the purpose of this Act.

(3) Upon receipt of order of Government under section 3, the competent authority shall apply within 15 days to the Designated Court constituted under this Act for making the ad-interim order of attachment absolute and for a direction to sell the property so attached by public auction and realize the sale proceeds. For the purpose of crediting and dealing with the money realized by Competent Authority shall open an account in any Scheduled Bank.

(4) An application under sub-section (3) shall be accompanied by one or more affidavits, stating the grounds on which on the belief that the Financial Establishment has committed any default or is likely to defraud, is Established the deposit, the amount of money or value of other procured by means of the deposit, and the details if any of persons in whose name such property is believed; have been invested or purchase out of the deposits or any other property attached under section 3.

CHAPTER –III

Punishment for default in repayment of deposit and interest

7. Notwithstanding anything contained in Chapter II, any Financial establishment which,-

- (i) defaults in repayment of deposit on maturity along with any benefit in the form of interest bonus profit or in any other form as promised; or
- (ii) fails to render service as assured, against the deposit; or
- (iii) is found indulging in a fraudulent act during business operation, every person including the promoter partner, director, manager or any other person or an employee responsible for the management or conduct of the business or affairs of such Financial Establishment or any person abetting the commission of such acts by the Financial Establishment shall, on conviction, be punished with imprisonment for a term which may extend to ten years and with fine which may extend to five lakh rupees and such Financial Establishment shall also be liable for a fine which may extend to 5 lakh rupees.;

Provided that in the absence of special and adequate reasons recorded in the judgment of the Court, the imprisonment shall not be for less than 5 years and the fine shall not be less than two lakh of rupees.

Explanation-I : For the purposes of this section, a Financial Establishment shall be deemed to have committed a default fraudulently or failed to render specific service fraudulently, if it,-

- (i) Commits default in repayment of such deposit with such benefit in the form of interest, bonus, profit or in any other form as promised or fails to render any specified service promised against such deposit; or
- (ii) fails to render any specific service agreed against the deposit with an intention of causing wrongful gain to one person or wrongful loss to another person; or
- (iii) commits such defaults due to its inability arising out of impracticable or commercially not viable promises made while accepting such deposit or arising out of deployment of money or assets acquired out of the deposits in such a manner as it involves inherent risk in recovery of the same when needed; or

(iv) commits a fraudulent act as mentioned in Explanation 1, of section 3;

Explanation-II:- For the purpose of this section any financial Establishment shall be deemed to be indulging in fraudulent act, if it receives deposits from the public in the manner as mentioned in explanation 1 of section 3.

Mandatory disclosure and punishment for non-compliance :

8. (1) (a) Before starting operation in the State of Arunachal Pradesh, every Financial Establishment shall intimate the Deputy Commissioner of the District about the details of its business under his local jurisdiction indicating, with supporting documents, the registration/permission/sanctions obtained from the authorities like the Securities and Exchange Board of India (SEBI) or the Reserve Bank of India (RBI) or any other Competent Regulatory authority of Central or State Government required under the relevant law for the time being in force in such form and in such manner, as may be prescribed by the State Government and obtain No objection certificate thereto.

(b) While giving his No Objection Certificate under clause (a) of sub-section (1), the Deputy Commissioner, inter alia, shall satisfy himself on the adequacy of the capital base of the Financial Establishment, its business model and sustainability of its business. For the purpose of satisfying himself regarding capital adequacy of the Financial Establishment, the Deputy Commissioner may call for any other document which he, in his judgment, considers necessary for arriving at an objective conclusion.

(c) Before giving his No-Objection Certificate under clause (a) of sub-section (1), the Deputy Commissioner shall collect a report from the Superintendent of Police having jurisdiction for this purpose. The Superintendent of Police shall cause such enquiries verifications of the Financial Establishment and the persons associated with it in order to ascertain their genuineness or otherwise, previous criminal conduct or acts, if any, and parameters relevant thereto as per existing laws.

(2) Before starting operation in Arunachal Pradesh, every Financial Establishment including those operating on-line through internet or any other electronic/print media or any other means, shall obtain a trade license from the competent Local Body/Authority under whose local jurisdiction the establishment intends to conduct its business operations and no Local Body/Authority shall issue such trade license to the Financial Establishment without receipt of the No Objection Certificate as per sub-section (1) from the Deputy Commissioner of that particular District within which the Local Authority is empowered.

(3) In case of any existing Financial Establishment as on the date enactment of this Act, the details mentioned in clause (a) of sub-section (1) shall be intimated to the Deputy Commissioner of the concerned District where the Financial Establishment has been performing its business operation within 30 days of the commencement of this Act and the requirements under clause (b) of sub-sections (1) and (2) shall be complied with.

(4) Every Financial Establishment shall file a monthly statement about its business transaction in that local area in such form and in such manner, as may be prescribed to the Deputy Commissioner of the District under whose local jurisdiction the Financial Establishment is conducting its business operations along with a copy of the periodical statement which is filed to the SEBI or, as the case may be, RBI or any other competent Regulatory Authority of Central or State Government .

(5) The Deputy Commissioner of the District under whose local jurisdiction of Financial Establishment is conducting its business operations or any other officer authorized by Government may, at any time, direct any Financial Establishment carrying on business in the area of jurisdiction of the Competent Authority to furnish in such form, such information relating to or connected with the deposits receive by it, as may be specified in a general or a special order.

(6) The Deputy Commissioner of the District under whose local jurisdiction the Financial Establishment is conducting its business operations or any other officer authorized by the Deputy Commissioner on his behalf or any other officer authorized by the Government in order to carry out the purposes of this Act shall have power to visit the office premises or other places of any Financial Establishment operating in the State to check the books of account and other documents to ensure that the business of deposit taking is being conducted as per relevant law with permission or sanction of the authority empowered by that law or that such business is not dressed in any form for misleading or cheating the depositors.

(7) The Deputy Commissioner of the District under whose local jurisdiction the Financial Establishment is conducting its business operations or any other officer authorized by the Deputy Commissioner on his behalf or any other officer authorized by the Government in order to carry out the purposes of this Act shall have power to enter and search any premise where they have the reason to believe that any register, book, record, paper, application, information in electronic storage and retrieval device or medium, instrument or proceedings

are kept and to inspect them and to take such notes and extracts as they may deem necessary. Every person having in his custody or maintaining such register, book, record, paper, application, or permit the Competent Authority or any other officer authorized by the Government to inspect them and to take notes and extracts as they may deem necessary and if necessary seize and impound them;

Provided that no residential accommodation (not being a place of business -cum-residence) shall be so entered and searched except on the authority of a search warrant issued by a Magistrate having jurisdiction over the area, and all searches under this section, so far as may be, made in accordance with the provisions of the Code of the Criminal Procedure, 1973.

(8) For failure to furnish the information or statement under sub-sections (1), (2), or (3) or furnishing a wrong or misleading statement, or refusal to produce or permit inspection of records/documents, etc, as required under sub-sections (4) and (5), the Deputy Commissioner of the District under whose local jurisdiction the Financial Establishment is conducting its business operations, if satisfied, may after giving reasonable opportunity to the Financial Establishment in accordance with law, impose a fine of rupees one lakh for every such default to be deposited within a period of one month.

(9) In order to prevent continuation of such fraudulent act or default or non-cooperation at the time of inspection with reference to the foregoing provisions or on detection by the inspecting officer that such business is not being conducted as per relevant law with permission or sanction of the authority empowered by that law or such business is dressed in any form for misleading or cheating the depositors, the Government, based on the report of the Deputy Commissioner of the District may, pass such interim order as if may consider appropriate to restrain that establishment from operating in that area, freeze the bank accounts and restrain it from sale, transfer or alter any moveable or immoveable property of that establishment pending confirmation by the Competent Court after making an application by the Competent Authority under sub-section (3) of section 4.

(10) The fine money imposed under sub-section (8) if not paid within the time fixed in the order may be recovered as an arrear of land revenue.

(11) Any Financial Establishment, aggrieved by the order of the Government, may file appeal before the Competent Court while hearing the application made by the Competent Authority under sub-section (3) of section 6 of this Act. Such appeal filed by the aggrieved Financial Establishment shall be heard by Competent Court under sub-section (3) of the section 6 of this Act while decided the matter of interim order of attachment made by Government under sections 3 and sub-section (9) of section 8 of this Act.

CHAPTER –IV

Competent Court :

9. (1) No Court, other than the Court of District and Sessions Judge of Competent Jurisdiction or the Special Court constituted under this Act shall have jurisdiction in respect of any matter to which the provisions of this Act apply.

(2) For the purpose of speedy disposal of cases under this Act, the Government may, with the concurrence of the Chief Justice of the Gauhati High Court, by notification, constitute one or more Special Courts consisting of a single Judge not below the rank of a District and Sessions Judge or Additional District and Sessions judge for such area or areas or for such class or classes of cases as may be specified in the notification.

(3) While trying cases by the Special Court under this Act, it shall exercise the powers, functions and jurisdiction as are available to a District and Sessions Judge of the competent jurisdiction.

(4) Any pending case in any other Court to which the provisions of this Act apply, shall stand transferred to the court of District and Sessions Judge of Competent Jurisdiction or the Special Court constituted under this Act.

(5) The District and Sessions judge of Competent Jurisdiction or the Special Court constituted under this Act on application by the Competent Authority pass such order or issue such direction as may be necessary for the equitable distribution among the depositors of the money realized from and out of the property attached.

Powers of the Court :

10.(1) Upon receipt of an application under section 4 the District and Sessions Judge of Competent Jurisdiction or the special Court constituted under this Act shall issue to the Financial Establishment or to any other person whose property is attached by the Government under section 3, a notice accompanied by an application and affidavit and the evidence, if any, recorded, calling upon him to show cause on a date to be specified in the notice as to why the order of attachment should not be made absolute.

(2) The Court of District and Sessions Judge of Competent Jurisdiction or the Special Court constituted under this Act shall also issue such Notice to all other persons representing it as having or being likely to claim any interest or title in the property of the Financial Establishment or person to whom the notice is issued calling upon such person to appear on the same date specified in the notice and make objection if he so desires to attachment of the property or any portion thereof on the ground that he has an interest in such property or portion thereof.

(3) Any person claiming an interest in the property attached or any portion thereof may, notwithstanding the notice has been served upon him under this section, make an objection as aforesaid to the Court of District and Sessions Judge of Competent Jurisdiction or the Special Court constituted under this Act at any time before an order is passed under sub-section (4) or sub-section (6).

(4) If no cause is shown and no objections are made on or before the specified date the Court of District and Sessions Judge of Competent Jurisdiction or the special Court constituted under this Act shall forthwith pass an order making the ad-interim order of attachment absolute.

(5) If cause is shown or any objection is made as aforesaid the Court of District and Sessions Judge of competent Jurisdiction or the Special Court constituted under this Act shall proceed to investigate the same and in so doing, as regards the examination of the parties and in all other respects, the Court of District and Sessions Judge of Competent Jurisdiction or the Special Court constituted under this Act shall, subject to the provisions of this Act, follow the procedure and exercise all the powers of a Court in hearing a suit under the Code of Civil procedure, 1908 and any person making an objection shall be required to adduce evidence to show that on the date of attachment he had some interest in the property attached.

(6) After investigation under sub-section (5), the District and Sessions Judge or the Special Court shall pass an order making the ad-interim order of attachment absolute or varying it by releasing a portion of the property from attachment or cancelling the ad-interim order of attachment.

Provided that the Court of District and Sessions Judge of Competent Jurisdiction or the Special Court constituted under this Act shall not release from attachment, any interest, which it is satisfied that the Financial Establishment or the person referred to in the Sub-section (1) has in the property unless it is also satisfied that it will remain under attachment an amount or property of value not less than the value that is required for repayment to the depositors of such Financial Establishment.

Provided further that, the Designated Court shall on an application by the Competent Authority pass such order or issue such directions as may be necessary for the equitable distribution among the depositor of the money attached or realized out of the sale and in case the money realized from the sale of property is not enough to cover the shortfall, the Designated Court may impose fine on every person or an employee responsible for the management of or conducting of business of affairs of such Financial Establishment to cover the shortfall as may be necessary for the purpose of repayment to the depositors.

(7) Notwithstanding anything contained in section 438 of the Code of Criminal Procedure Code, 1973 (Central Act 2 of 1974), no Court shall grant anticipatory bail to any person under this Act.

Attachment of properties of malafide transferees :

11. (1) Where the assets available for attachment of a Financial Establishment or other person referred to in section 3 are found to be less than the amount or value which the Financial Establishment is required to repay to the depositors and where the Court of District and Sessions Judge of Competent Jurisdiction or the Special Court constituted under this Act is satisfied by affidavit or otherwise that the said Financial Establishment has transferred (whether after the commencement of this Act or not) any of the property otherwise than in good faith and for consideration the Court of District and Sessions Judge of Competent Jurisdiction or the Special Court constituted under this Act may, by notice, require any transferee of such property (whether or not he received the property directly from the said Financial Establishment) to appear on date to be specified in the notice and show cause why so much of the transfer's property is equivalent to the proper value of the property so transferred should not be attached.

(2) Where the said transferee does not appear and show cause on the specified date or where after investigation in the manner provided in sub-section (5) of section 10, and the Court of District and Sessions Judge of Competent Jurisdiction or the Special Court constituted under this Act is satisfied that the transfer of the property to the said transferee was not in good faith and for consideration, the Court of District and Sessions Judge of Competent

Jurisdiction or the Special Court constituted under this Act shall order the attachment of so much of the said transferee's property as in the opinion of the Court of District and Sessions Judge of Competent Jurisdiction or the Special Court constituted under this Act equivalent to the proper value of the property transferred.

Security in lieu of attachment :

12. Any Financial Establishment or person whose property has been or is about to be attached under this Act, may, at any time, apply to the District and Sessions Judge of Competent jurisdiction or the Special Court constituted under this Act for permission to give security in lieu of such attachment and where the security offered and given is in the opinion of the Court, of District and Sessions Judge of Competent jurisdiction or the Special Court constituted under this Act satisfactory and sufficient, it may cancel the ad-interim order of attachment or as the case may be, refrain from passing the order of attachment.

Administration of property attached :

13. The Court of District and Sessions Judge of Competent Jurisdiction or the Special Court constituted under this Act may on the application of any person interested in any property, attached under this Act and after giving the competent authority an opportunity of being heard, make such orders as the District and Session Judge of competent Jurisdiction or the special Court continued under this Act considers just and reusable for.

Provided if the applicant claims an interest in such sums as may be reasonably necessary for the maintenance of the applicant and his family and for expenses connected with the defense of the applicant where criminal proceedings have been instituted against him in the Court of District and Sessions Judge of Competent Jurisdiction or the Special Court constituted under this Act under section 9 to safeguard the interest of any business effected by the attachment and particularly in the business so far as practicable.

Appeal :

14. Any person including the competent authority, if aggrieved by an order of the Court of District and Session Judge of Competent Jurisdiction or the Special Court constituted under this Act, may appeal to the High Court within thirty days from the date of order.

Special Public Prosecutor :

15. Government shall by notification, appoint an Advocate having not less than 7 years; standing as a Special Public Prosecutor for the purpose of conducting the cases falling under this Act in the Court of District and Session Judge or Special Court.

Procedure and powers of the Court of District and Sessions Judge regarding offences :

16. (1) The Court of District and Session Judge of Competent Jurisdiction or the Special Court constituted under this Act may take cognizance the offence without the accused being committed to it for trial and in trying the accused person shall follow the Code of Criminal Procedure 1973 for the trial of warrant cases by Magistrates.

(2) The provisions of the Code of Criminal procedure, 1973 shall apply to the proceeding under this Act.

CHAPTER –V

Act to override other laws :

17. Notwithstanding anything to the contrary contained in any other law for the time being in force enacted by the State Legislature and the Rules framed there under, the provisions of this Act shall have overriding effect.

Protection of action taken in good faith :

18. No suit or other proceeding shall lie against the Government or the authorized officer or Competent Authority or an officer or employee of the Government for anything, which is in good faith done or indented to be done under this Act.

Power to remove difficulties :

19. If difficulty arises in giving effect to any provisions of this Act, the Government may, by an order, do anything not inconsistent with the Provisions of this Act, which appears to it to be necessary to remove such difficulty.

Powers to make rules :

20. (1) The Government may make rules for carrying out the provisions of this Act.

(2) All rules made by the State Government under this Act shall, as soon as may be after they are made, be laid before the State Legislative Assembly while it is in Session, for a total period of not less than fourteen days which may be comprised in one session or two or more successive sessions, and shall unless some later date is appointed, take effect from the date of their publication in the official Gazette subject to such modification or annulments as the Legislative Assembly may, during the said period agree to make so however, that any such modification or the annulment shall be without prejudice to the validity of anything previously done there under.

Dated Naharlagun,
the 6th March, 2017

M. Lasa
Secretary,
Legislative Assembly,
Arunachal Pradesh,
Naharlagun.