

**PROCEEDINGS OF THE COMPETENT AUTHORITY &
SECRETARY TO GOVERNMENT, BANNING OF
UNREGULATED DEPOSIT SCHEMES ACT UNDER SECTION
7(3) OF THE CENTRAL BUDS ACT (2019)**

PRESENT: SRI. SANJAY M KAUL IAS

HOME (SC) DEPARTMENT

SC3/497/2023/Home Dated, Thiruvananthapuram (31-07-2024)

Sub: Home Department - Banning of Unregulated Deposit Schemes Act, 2019 - Provisional attachment of all movable & immovable properties of Thiruvananthapuram District Unemployed Social Welfare Co-Operative Society Ltd. No.T. 1639 - Orders Issued

Ref: 1) GO(P) No. 69/2020/Home dated 18.12.2020 published as SRO No. 887/2020
2) GO(Rt) No. 2959/2020/Home dated 22.12.2020 published as SRO No. 894/2020
3) Letter No. D3-72966/2024/PHQ dated 22.04.2024 of the State Police Chief, Kerala

ORDER

The State Police Chief as per reference read as 3rd paper above have furnished report relating to the crime case registered against Thiruvananthapuram District Unemployees Social Welfare Co-Operative Society Ltd.

As per this report, the President Sri. Rajendran M and the Secretary, Sri. Neelakandan of the Thiruvananthapuram District Unemployees Social Welfare Co- operative Society Ltd No. T 1639, Killipalam have collected fixed deposits from the public, without obtaining approval from the Joint

Registrar (General) concerned of Co-operative societies Thiruvananthapuram for accepting fixed deposits and also the amount received as fixed deposits did not returned to the depositors even after the deposits were matured.

Crime cases were registered at Karamana Police Station and Nemom Police Station under section 406, 409, 420,34 IPC on the strength of the statement of the affected parties. It is revealed that the accused accepted fixed deposits from the public without obtaining legal approval from the Joint Registrar (General) of Co-operative societies Thiruvananthapuram. The accused accepted the amount from the public as fixed deposits under unregulated scheme and accumulated a total amount of Rs. 6,18,17,182/- from the complainants. The Investigation officer reported that the accused committed the offences under section 3 r/w 21 of The Banning of Unregulated Deposit Schemes Act 2019. They have collected a total amount of Rs.6,18,17,182/- from the complainants and cheated them by not returning the amount till date. There by the accused collectively cheated the depositors with the full knowledge of that the alleged society had not any legal approval for accepting deposits.

Accordingly, I, Sanjay M Kaul IAS, Competent Authority, BUDS Act 2019 have examined the matter in detail and have a reason to believe that the accused have accepted fixed deposits from the public without prior approval from the Joint Registrar (General) of Co-operative Societies, Thiruvananthapuram thus amounting to an unregulated scheme. The deposit taker have accepted the deposits in contravention of section 3 of the BUDS Act read with section 21 and defaulted in repayment of such deposits.

I, therefore, in exercise of powers conferred under section 7(3) of BUDS Act, 2019, issue this proceedings to safeguard the interest of the innocent depositors, hereby attach all movable/immovable properties

and all other deposits held by the Deposit Taker and the money or other property acquired either in the name of the deposit taker or in the name of any other person on behalf of the deposit taker.

The Inspector General of Registration Department is hereby directed to freeze the sale/mortgage or any other transaction of immovable properties of the firm and the Deposit Taker. The Transport Commissioner, Motor Vehicles Department is directed to seize all vehicles owned by the firm/deposit taker/its partners or allied firms and to take necessary steps to prohibit the transfer of registration of vehicles and to report to the respective District Collectors.

The Lead Bank Managers of all Districts concerned/Registrar of Co-operative Societies/General Managers of KSFE/ District Managers of KFC and all other financial institutions are directed to take necessary steps to freeze all the accounts of the financial institution and its allied firms. Police Authorities shall identify the accounts of the firm and the deposit takers and take action to freeze the accounts by intimating the provisional attachment orders to the respective Banks where the accounts are maintained. The Police shall also report the details of the current/ any future accused persons from time to time directly to the concerned District Collectors for provisionally attaching the properties within the stipulated time limit.

The District Collectors appointed as officers to assist the Competent Authority under section 7(2) of BUDS Act are directed to serve the copy of the provisional attachment to the owner of the property or any person who claims to be in possession of the property or any other person who has an interest in the said property and to prepare and maintain details of the properties so attached and the expenditure incurred in this regard in Form No. 2.

The District Collectors are further directed to publish the order of provisional attachment in a leading newspaper both in Malayalam and in English having wide circulation in the area or jurisdiction in which the deposit taker is located.

The District Collectors appointed as officers to assist the Competent Authority under section 7(2) of BUDS Act are directed to issue attachment orders separately against the properties of the accused and file application with particulars of the attachment effected before the Designated Courts constituted read as 2nd paper above, of the respective District, within the stipulated time of 30 days for making the provisional attachment absolute and for permission to sell the property so attached by public auction or, if necessary, by private sale according to section 14 of Central BUDS Act, 2019.

(Sd.)

SANJAY M KAUL

Forwarded/By order

Section Officer.

To:

All District Collectors
The State Police Chief
The Additional Director General of Police (Crimes)
The Inspector General of Police (EOW), Police Headquarters
All District Police Chiefs
The Inspector General of Registration Department
The Transport Commissioner
The Registrar of Co-operative Societies
General Managers of KSFE/District Managers of KFC (through District Collectors)

The Finance/ Law/Revenue/Taxes Departments
I & PR (Web & New Media) Department.
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