

**PROCEEDINGS OF THE COMPETENT AUTHORITY &
ADDITIONAL CHIEF SECRETARY TO GOVERNMENT,
BANNING OF UNREGULATED DEPOSIT SCHEMES ACT**

PRESENT: Sri. BISHWANATH SINHA IAS

HOME (SC) DEPARTMENT

SC3/284/2024-Home Dated,Thiruvananthapuram (10-12-2025)

Sub: Home Department - Banning of Unregulated Deposit Schemes Act, 2019 - WP(C) No. 1180/2025 filed by Sri. Bhaktha Dinesh - Complied with - orders issued- Reg

Ref: 1. Judgment in WP(C) 40674/2024 dated 9/12/2024 of the Hon. High Court of Kerala
2. Letter No. DCPKD/2820/2021-B7 dated 24/11/2025 from the District Collector, Palakkad.

ORDER

The Hon'ble High Court of Kerala, by judgment read as 1st paper cited in WP(C) No. 40674/2024, directed the Competent Authority to consider and dispose of the representation submitted by Sri. Bhaktha Dinesh, after granting him an opportunity of hearing, within a period of three months. The petitioner contended in his representation that he is the lawful owner of 1.8840 hectares of property in Survey No. 621/2 of Kottathara Village, Palakkad, which stands provisionally attached under Section 7(3) of the Banning of Unregulated Deposit Schemes Act, 2019, pursuant to proceedings No. SC3/78/2022/Home dated 21.11.2023, issued in connection with the ongoing investigations against the Phenomenal Group of Companies. The petitioner asserted that he has no business relationship or connection with Sri. N.K. Singh, the accused in the Phenomenal Group of Companies case, and therefore, his property has been mistakenly included in the provisional attachment.

In compliance with the directions of the Hon'ble High Court, a hearing was conducted on 04.04.2025 at 3.30 PM, wherein the petitioner, his learned counsel, and the concerned revenue officials, including the Tahsildar, the Village Officer, and the Junior

Superintendent from the Palakkad Collectorate, were present. During the hearing, the petitioner submitted that he had purchased the property by availing a bank loan and that the Encumbrance Certificate obtained for a period of 30 years from 1990 to 2023 does not disclose any claim, charge, interest, or transaction in favour of Sri. N.K. Singh with respect to the said property. It was further submitted that survey-related inconsistencies and documentary errors in earlier transactions may have resulted in wrongful inclusion of the property in the attachment proceedings.

The revenue officials present explained the chain of title and the discrepancies observed in the survey numbers. It was stated that there is no BT Register in respect of this property and that the property originally belonged to Raman, son of Nanchan, and was later transferred to Krishna Gandhi in 1972. Though certain documents refer to a power of attorney issued in favour of one Sharafudeen in 1999, the said document is not available in the village office records, nor has any land tax ever been paid by Sri. N.K. Singh. It was also submitted that subsequent transactions resulted in the land being transferred to individuals, including Chinna Pazhaniswamy, Chinna Lakshmi, Jayarajan, and Basheer Muhammad. The resurvey process in Kottathara Village is still ongoing.

On examining the documents produced by the revenue authorities, it appears that Document No. 577/14 indicates the property as Survey No. 620/38 with an extent of 2.4120 hectares, and Document No. 739/14 also reflects the same survey details. However, in the subsequent transfer from Sri. Jayarajan to Sri. Basheer Muhammad, the Village Officer's inspection report stated that the property described as Survey No. 620/38 actually forms part of Survey No. 621, and the extent was recorded as 1.8866 hectares in Survey No. 621/1. There is no clear explanation as to how a property measuring 2.4120 hectares in Survey No. 620/38 was treated as 1.8866 hectares under Survey No. 621/1, nor is it established whether the properties under these survey numbers actually represent the same land.

In order to clarify these discrepancies, the District Collector, Palakkad, was directed to conduct a detailed examination. The District Collector, in his report read as 2nd paper above, has stated that Survey No. 620 consists of 12 sub-divisions, and that Survey No. 620/38 does not exist in the village records. The Collector also reported that Survey No. 621, registered in the name of Raman, covers an extent of 1.8900

hectares and that, based on Certificate No. 1522/17 issued by the Village Officer, Jayarajan had transferred 1.8866 hectares of land to Basheer Muhammad under Survey No. 621/1. It was further reported that the land indicated in the earlier documents appears to refer to the same property and that the digital survey process for the area is still incomplete.

The Encumbrance Certificate submitted by the petitioner, covering a period of 30 years from 1990 to 2023, shows no attachment or entry in respect of any claim by Sri. N.K. Singh over this property. From the chain of title, survey records, and the reports of the revenue authorities and the District Collector, it appears that the petitioner may have been unintentionally defrauded due to survey-related confusion or documentary irregularities in earlier transactions. However, even in such circumstances, the statutory position under the BUDS Act, 2019, remains clear.

As per Section 15 of the BUDS Act, 2019, only the Designated Court has the authority to confirm, make absolute, modify, set aside, or release a provisional attachment issued under Section 7(3). The Competent Authority does not have the statutory power to order the release of a property once it has been provisionally attached. Therefore, even if the petitioner's contentions are found to be bona fide, this Authority cannot, in law, order the release of the attached property.

In view of the above findings and in compliance with the directions of the Hon'ble High Court of Kerala, the representation submitted by Sri. Bhaktha Dinesh is disposed of by directing him to approach the Designated Court under Section 17 of the Banning of Unregulated Deposit Schemes Act, 2019, which is the competent forum to adjudicate the validity of the provisional attachment and to grant appropriate relief. The District Collector of Palakkad is directed to take appropriate action to apprise the matter before the Designated Court.

The Judgment in WP(C) 40674/2024, read as the 1st paper above of the Hon. High Court of Kerala, is hereby complied with.

(Sd.)
BISHWANATH SINHA

Forwarded/By order

Section Officer.

To:

Advocate General, Ernakulam (With Covering Letter)

District Collector, Palakkad.

Tahisldar, Palakkad

Village Officer, Kottathara Village Office

Deputy Superintendent of Police,

Sri Bhaktha Dinesh, S/o Thankappan K P, Kunthippadath House

Thenkara, Palakkad Dist 678582.

I & PR (Web & New Media) Department.

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