



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

PRESENT : SRI. SANJAY M KAUL IAS

HOME (SC) DEPARTMENT

No.SC3/351/2023/Home Dated,Thiruvananthapuram 21/06/2024

Sub: Home Department - Banning of Unregulated Deposit Schemes Act, 2019 - Provisional attachment of all movable & immovable properties of Highrich Online Shoppe PVT Ltd, Capital Art Business Spaces, Neruvissery, Arattupuzha P O, Thrissur - Orders issued.

Ref: 1.G.O(P) No. 69/2020/Home, dated 18.12.2020 published as S.R.O No.887/2020.

2.G.O(Rt) No.2959/2020/Home, dated 22.12.2020 published as S.R.O No. 894/2020.

3.Report dated, 18/09/2023 from the Sub Inspector of Police, Cherpu Police Station, Thrissur Rural.

4.Proceedings of the Competent Authority No.SC3/351/2023/Home Dated,21/11/2023

ORDER

The Sub Inspector of Police, Cherpu Police Station as per letter read as 3 rd paper above has furnished report on the crime case No. 1070/2023 u/s 3 r/w 4,5,6 of Prize Chits and Money Circulation Schemes (Banning) Act, 1978 and section 3 r/w 21, 4 r/w 22, 5 & 6 r/w 23 of BUDS Act registered against Highrich Online Shoppe Private Limited. The case is registered into the complaint that the Directors of Highrich Online Shoppe PVT Ltd, Capital Art Business Spaces, Neruvissery, Arattupuzha P O, Thrissur, Sri Prathapan and Sreena Prathapan have been accepting deposits from the public offering returns I/5958170/2023 by making them believe that by remitting Rs 750 or Rs

10000 they can enroll as members and for the deposit amount they will be provided dividends and other benefits after a fixed time period or on a monthly basis. It is reported that the deposit taking is akin to money chain model which is a punishable offence under Prize Chits and Money Circulation Schemes (Banning) Act. A prize chit or a money circulation scheme banned under the provisions of the Prize Chits and Money Circulation Scheme (Banning) Act, 1978 (43 of 1978) shall be deemed to be an Unregulated Deposit Scheme under the BUDS Act also. Whereas provisions of BUDS Act are invoked in the crime case registered against Highrich Online Shoppe PVT Ltd, Capital Art Business Spaces, Neruvissery, Arattupuzha P O, Thrissur and the accused, therefore in exercise of powers conferred under section 7(3) of BUDS Act, 2019, I, Sanjay M Kaul IAS, Competent Authority, issued provisional attachment of 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, vide proceedings read as 2nd paper above.

As per section 14 of the BUDS Act application for confirmation of attachment and sale of property had to filed within 30 days which might extend up to 60 days before the Designated Court. But that exercise could not be completed within the stipulated time.

I , therefore, re-issue these proceedings in conformity with the provision of section 14 of the BUDS ACT to safeguard the interest of the innocent depositors.

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, for which the 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 wherein the accounts are maintained. The Police shall also report the details of the

accused to the 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 is directed to file application with particulars of I/5958170/2023 the attachment effected before the Designated Courts constituted as per reference 2 nd cited, of the respective Districts, 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 Banning of Unregulated Deposit Schemes Act, 2019.

(Sd.)

SANJAY M KAUL

Forwarded/By order

Section Officer

To:

The State Police Chief
All District Collectors
The Additional Director General of Police (Crimes)
The Inspector General of Police (EOW), PHQ
All District Police Chiefs
The Sub Inspector of Police, Cherpu Police Station, Thrissur Rural.
The Inspector General of Registration Department
The Transport Commissioner
Registrar of Co-operative Societies
General Managers of KSFE/District Managers of KFC/All Banks
etc(through the District Collectors)
The Finance/ Law/Revenue/Taxes Departments
I & PR (Web & New Media) Department.
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