

**PROCEEDINGS OF THE COMPETENT AUTHORITY &
ADDITIONAL CHIEF SECRETARY TO GOVERNMENT,
BANNING OF UNREGULATED DEPOSIT SCHEMES ACT
UNDER SECTION 7(3) OF THE BUDS ACT (2019)
PRESENT: Sri. BISHWANATH SINHA IAS**

HOME (SC) DEPARTMENT

SC3/201/2022-Home Dated,Thiruvananthapuram (27-03-2025)

Sub: Home Department - Banning of Unregulated Deposit Schemes Act, 2019 - Provisional attachment of all movable & immovable properties of Future Trade Links, Toll Deal Ventures LLP-Orders Reissued

- 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. 894/202.
3) Letter from the Inspector Station House Officer, Town East Police Station, Thrissur City.
4) Proceedings No.SC3/201/2022/Home dated 27/01/2023.
5) Letter No. DCTSR/10485/2020-C8 dated 01.07.2024 of the District Collector, Thrissur
6) Proceedings No.SC3/201/2022/Home dated 31/07/2024.
7) Judgment in WP(C)No.22737/2024-Home dated 05/11/2024 by the Hon.High Court of Kerala.
8) Letter No.DCTSR/10253/2023-C8 dated 28/11/2024 from the District Collector, Thrissur.
9) Judgment in Crl.M.P. 4358/2024 & Crl. M.P. 4359/2024 dated 28.01.2025 of the Additional Sessions Court III, Thrissur.

ORDER

The Inspector Station House Officer, Town East Police Station as per 3rd paper above has furnished a report regarding Crime No. 1377/2022 registered against Future Trade Links and Crime No. 1892/2022 registered against Toll Deal Ventures LLP.

The Crime No. 1377/2022 u/s 406, 420 IPC & sections 3 r/w 21 of Banning of Unregulated Deposit Schemes Act is registered against the Online Trading Company Future Trade Links. It is reported that the firm has accepted deposits offering high returns violating rules. The firm does not have the required registration from the Registrar of Companies and it has not obtained necessary license from Olavana Grama Panchayat also. The investigation has corroborated that the deposit taking of the firm comes under the BUDS Act.

The Crime No. 1892/2022 u/s 406, 420, 34 IPC & sections 3 r/w 21 of BUDS Act registered against Toll Deal Ventures LLP. The investigation into the crime case has revealed that the CEO and Directors of the Online Trading Company Toll Deal Ventures has accepted deposits in violation of rules attracting penal provisions under BUDS Act. The firm Toll Deal Ventures LLP, No. 1416 4th Floor, Hilite Business Park, Palazhi, Kozhikkode PIN - 673014 have the registration from the Registrar of Companies and the said firm is registered in the name of Mohammed Faisal Palakkathodi, S/o Aboobacker Palakkathodi, Palakkathodi H, P S Ammbalakadavu, Kalikkavu, Malappuram - 676525 and Jalaludeen, S/o Cherror Ahammed, Tharivikka H, Chengara P O, Cherror, Kasargod - 671123. The firm has not obtained necessary license from Olavana Grama Panchayat.

Since the firm Future Trade Links had collected deposits from the public without obtaining licence from any of the Regulators, provisional attachment order as per 4th paper above was issued attaching the properties of the above firm.

The District Collector, Thrissur vide letter 5th paper above has requested to issue new provisional attachment order as they failed to file the confirmation of temporary attachment of all the movable and immovable properties of Future Trade Links before the Designated court within the stipulated time. Accordingly the above provisional attachment orders were reissued vide proceedings referred to as 6th paper above.

Now the District Collector, Thrissur vide letter 8th paper above has informed that they could not file the application under section 14 of the BUDS Act before the Designated Court within the stipulated time frame as additional properties found by the Investigation Officer after the initial attachment of the properties needs to be attached. The District Collector, Thrissur has requested to reissue the proceedings again.

As per the judgment in reference 7th cited, the Hon'ble High Court directed the Additional Sessions Court III, Thrissur, to determine whether the Competent Authority is permitted to initiate fresh proceedings or re-issue a previously issued provisional attachment order.

In compliance with this directive, the Additional Sessions Court III, Thrissur, in its judgment in reference 9th cited, held that the Competent Authority is fully justified in reissuing the provisional attachment order.

Therefore, it is concluded that there are no legal impediments to reissuing a provisional attachment order in cases where the application for making the order absolute was not filed before the respective designated courts within the prescribed time.

Therefore, in exercise of powers conferred under Section 7(3) of the BUDS Act, 2019, I hereby reissue the proceedings referred to as the 4th paper above to safeguard the interests of innocent depositors. Accordingly, all movable and immovable properties, along with any deposits held by the Deposit Taker, as well as any money or property acquired either in the name of the Deposit Taker or in the name of any other person on their behalf, are hereby attached again.

The Inspector General of the Registration Department is hereby directed to freeze the sale, mortgage, or any other transaction of immovable properties of the firm and the Deposit Taker, if not already done. The Transport Commissioner, Motor Vehicles Department, is directed to seize all vehicles owned by the firm, the Deposit Taker, its partners, or allied firms and to take necessary steps to prohibit the transfer of vehicle registrations and report to the respective District Collectors, if not already done.

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.

The District Collectors are further directed to publish the order of provisional attachment in a leading newspaper, both in Malayalam and 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 BUDS Act, 2019.

The above order shall not be applicable to districts where the designated courts have already confirmed the provisional attachment order. In such cases, the District Collectors shall proceed with the sale of properties in accordance with Section 14 of the BUDS Act.

(Sd.)
BISHWANATH SINHA

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), Police Headquarters
All District Police Chiefs
The Inspector General of Registration Department

The Transport Commissioner

The Registrar of Co-operative Societies

The Lead Bank Managers.

General Managers of KSFE/District Managers of KFC(through
District Collectors)

I & PR (Web & New Media) Department.

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