

**PROCEEDINGS OF THE COMPETENT AUTHORITY &
SECRETARY TO GOVERNMENT, BANNING OF
UNREGULATED DEPOSIT SCHEMES ACT UNDER SECTION
7(3) OF THE CBUDS ACT (2019)
PRESENT: SRI. SANJAY M KAUL IAS**

HOME (SC) DEPARTMENT

SC3/96/2024/Home Dated,Thiruvananthapuram (31-07-2024)

Sub: Home Department - Banning of Unregulated Deposit Schemes Act, 2019 - Provisional attachment of all movable & immovable properties of Nedumparambil Credit Syndicate Group & allied firms -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) Investigation Report submitted by Sub Inspector of Police, Edathuva Police Station, Alappuzha dated, 04/05/2024.

ORDER

The Sub Inspector of Police Edathua Police Station vide letter read as 3rd paper above reported that a case in Crime No. 250/2024 has been registered at Edathua Police Station, Alappuzha against Nedumparambil Credit Syndicate, Head Office at Pathanamthitta for accepting deposits from the public and for not returning the principal or interest. The Investigating Officer reported that many people have invested money in the firm, which does not have any Money Lending Licence to accept deposits from the public and also reported that Crime under Sec 406,420,34 IPC & 3 r/w 21,5 r/w 23, BUDS Act 2019 have been registered against the firm.

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 any license 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, hereby issue this proceedings to 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, 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. 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 by order 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
The Sub Inspector of Police, Edathuva Police Station, Alappuzha.
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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