



GOVERNMENT OF KERALA

No. SC3/204/2022/Home

Home (SC) Department

Thiruvananthapuram,

Dated:07-08-2023

CIRCULAR

Sub: Home - Banning of Unregulated Deposit Schemes Act 2019 - implementation of the provisions of the Act - Instructions issued.

Ref: Circular No. SC3/204/2022/Home dated 20.06.2023.

In the wake of the numerous complaints coming up from various corners regarding the unregulated deposit schemes operating within the State, circular instructions were issued to put in place a proper surveillance system at the District level to ensure that no unregulated firms are allowed to carry on business in violation of the provisions of Banning of Unregulated Deposit Schemes Act. Competent Authority for BUDS Act issues provisional attachment orders as per section 7(3) of the Act against the entities which have violated provisions of BUDS Act 2019 and the District Collectors appointed as officers to assist the Competent Authority are mandated to immediately act upon the provisional attachment orders by identifying the properties of the deposit taker and within a period of thirty days, which may extend up to sixty days, from the date of the order of provisional attachment, file an application with such particulars as may be prescribed, before the Designated Court for making the provisional attachment absolute, and for permission to sell the property so attached by public auction or, if necessary, by private sale. It has come to notice that there is an inordinate delay on the part of the District Collectors in filing applications under section 14 of BUDS Act before the Designated Court.

In view of the above circumstances, the following instructions are issued for strict compliance.

1. Prompt action shall be initiated by the District Collectors to provisionally attach the properties of the deposit taker who have operated an Unregulated Deposit Scheme.
2. The time limit stipulated for filing application under section 14 (1) of BUDS Act shall be strictly adhered to. Any delay occurring in this regard will be viewed seriously.

3. The District Collectors shall review the cases filed before the Designated Courts during the Suit Conferences and shall report the details of hearings and other matters related thereto before the Competent Authority on or before the 5th day of each Month in the proforma annexed.

4. The Police, Registration Department, Motor Vehicles Department, Lead Bank Managers and other Authorities concerned shall provide necessary assistance to the District Collectors for implementing the provisions of the Banning of Unregulated Deposit Schemes Act in letter and spirit.

SANJAY M KAUL#

To:

The Principal Secretary, Revenue Department
 The State Police Chief
 All District Collectors
 All District Police Chiefs
 Inspector General of Registration Department
 Registrar of Co - operative Societies
 All Lead Bank Managers
 I & PR (Web & New Media) (for publishing in the website)
 Stock File/Office Copy

Forwarded / By order,

Section Officer.

Proforma

Serial No	Name of Firm	Date of provisional attachment	Date of filing application u/s 14 before the Designated Court with case No.	Date of Hearings in Designated Court and details thereof	Orders if any	Action taken

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