



2025:KER:11062

WP(C) NO. 3306 OF 2025

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IN THE HIGH COURT OF KERALA AT ERNAKULAM

PRESENT

THE HONOURABLE MR.JUSTICE C.S.DIAS

TUESDAY, THE 11TH DAY OF FEBRUARY 2025 / 22ND MAGHA, 1946

WP(C) NO. 3306 OF 2025

PETITIONER:

SELF EMPLOYEES LEASING & FINANCE LTD., KOTTAYAM
BRANCH
MARKET ROAD, KOTTAYAM VILLAGE, KOTTAYAM DISTRICT
REPRESENTED BY ITS AUTHORIZED REPRESENTATIVE M.V.
JOSEKUTTY, AGED 59 YEARS, METTAYIL HOUSE,
PUTHUPPALLY VILLAGE, KOTTAYAM DISTRICT,
PIN - 686001

BY ADV V.N.SASIDHARAN

RESPONDENTS:

- 1 STATE OF KERALA
REPRESENTED BY THE CHIEF SECRETARY, DEPARTMENT OF
HOME, GOVERNMENT SECRETARIAT, THIRUVANANTHAPURAM,
PIN - 695001
- 2 COMPETENT AUTHORITY & SECRETARY TO GOVERNMENT
HOME (SC) DEPARTMENT, SECRETARIAT,
THIRUVANANTHAPURAM, PIN - 695001
- 3 THE MANAGER
FEDERAL BANK, KOTTAYAM BRANCH, KOTTAYAM P O,
KOTTAYAM DISTRICT, PIN - 686001

BY ADVS.
ADVOCATE GENERAL OFFICE KERALA
K.R.RANJITH, GOVERNMENT PLEADER WITH STATE
ATTORNEY()



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SC SRI MOHAN JACOB GEORGE

**THIS WRIT PETITION (CIVIL) HAVING COME UP FOR ADMISSION
ON 11.02.2025, THE COURT ON THE SAME DAY DELIVERED THE
FOLLOWING:**

**C.S.DIAS, J**

WP(C) No.3306 of 2025

Dated this the 11th day of February, 2025**JUDGMENT**

The writ petition is filed to quash Ext.P6 order passed by the 3rd respondent bank.

2. The petitioner is a company engaged in the business of leasing and financing among its members. Consequent to the complaint lodged by one Somarajan S. against the President and Secretary of 'Self Employees Service Society', Crime No.898/2024 was registered against the Society by the West Police, Kottayam under Section 3 of the Banning of Unregulated Deposit Schemes Act, 2019 ('BUDS Act' in short), alleging that the Society had received deposits from its members and disbursed loans to the public without any valid license. Pursuant to the registration of



the crime, the 2nd respondent had issued a letter to the 3rd respondent to freeze the petitioner's bank account. Accordingly, by Ext.P6 letter, the 3rd respondent froze the petitioner's bank account. The action of the respondents is illegal and high handed, especially because the petitioner's company is in no way connected with the society. Hence, the writ petition.

3. Heard; the learned counsel for the petitioner, the learned Government Pleader and the learned counsel appearing for the 3rd respondent bank.

4. The learned Government Pleader submitted that, in view of Section 25(3) of the BUDS Act, the 2nd respondent is to empowered to proceed against any Director, Manager, Secretary, Promoter or other officer of the deposit taker in case of any neglect. In the case at hand, the authorized representative of the petitioner company is also the President of the Society. As per Section 13(2) of the BUDS act, which confers



precedents of attachment on the 2nd respondent. Moreover, the petitioner has an alternative statutory remedy under Section 18 of the Act, to approach the designated Court to challenge Ext.P6 order. Therefore, this Court may not entertain the writ petition.

5. On a consideration of the facts and the materials on record, particularly as Ext.P5 order is passed by the 2nd respondent under provisions of the BUDS Act and that the petitioner has an alternative statutory remedy as provided under Section 18 of the Act, I am not inclined to entertain the writ petition.

Resultantly, the writ petition is dismissed, by reserving the right of the petitioner to work out his remedies, in accordance with law.



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APPENDIX OF WP(C) 3306/2025

PETITIONER EXHIBITS

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| Exhibit P1 | A TRUE COPY OF THE CERTIFICATE OF
INCORPORATION NO.09 - 66113 OF 1991
ISSUED BY THE REGISTRAR OF COMPANIES,
KERALA DATED 11/07/1991 |
| Exhibit P2 | A TRUE COPY OF THE CERTIFICATE OF
REGISTRATION, ISSUED BY THE RESERVE BANK
OF INDIA DATED 07/08/2001 |
| Exhibit P3 | TRUE COPY OF THE RESOLUTION TO REPRESENT
THE COMPANY IN ALL COURT CASES AS
AUTHORIZED BY THE BOARD OF DIRECTORS
DATED 10/01/2019 |
| Exhibit P4 | A TRUE COPY OF FIR NO. 898/24 REGISTERED
BY WEST POLICE, KOTTAYAM DATED 23/05/2024 |
| Exhibit P5 | A TRUE COPY OF ORDER OF PROCEEDINGS NO.
SC3/30/2024/HOME DATED 30/05/2024 ISSUED
BY 2ND RESPONDENT UNDER SECTION 7(3) OF
THE BUDS ACT |
| Exhibit P6 | A TRUE COPY OF THE ORDER SENT TO THE
PETITIONER BY THE 3RD RESPONDENT DATED
20/07/2024 |