



ODISHA POLICE
CRIME BRANCH
CRIMINAL INVESTIGATION DEPARTMENT

No. 23 5 /ADG-Con

Date 22.12.2017

To

All district SsP/DCsP/SsRP Cuttack & Rourkela/SsP EOW & STF

Sub:

Advisory on fraudulent collection of Public Deposits

1. Except the Banks, Post Offices; no NBFC, Company or Chit Fund or Micro Finance Institution is authorized to collect public deposit in the State of Odisha; as told by RBI, Bhubaneswar during coordination meeting.
2. If any such establishment is found indulged in collection of public deposit, they shall be liable for prosecution u/s 420 IPC & u/s 6 of the OPID Act for collection of money by deception/inducement and for default of payment of the amount with interest/dividend/return to the depositor on demand.
3. Whenever such establishments with dishonest intention fabricate false documents with a view to attract the depositors, those documents shall be treated as forged documents prepared for the purpose of cheating. Whoever uses those documents as genuine knowing it to be false is also criminally liable. In such cases Sec. 467/468 & 471 along with 420 IPC & Sec. 6 of the OPID Act, shall be made applicable.
4. Instances have come to notice that some fraud companies are operating within the State of Odisha by illegally using the name and trademark of the genuine companies. In those cases all the above noted heads of offences shall be applicable along with Sec. 79/81/83 of the Trade and Merchandise Marks Act, 1958.
5. Market intelligence has been supplied by Reserve Bank of India, Bhubaneswar wherein the name and activities of certain illicit financial establishments operating in Odisha have been mentioned. Those are furnished hereunder:

- (i) The regional DNBS,RBI received an MI information on September 5, 2017, from Ahmadabad RO, that more than 650 people across various States including Odisha have been duped under a special 'Prize Scheme' wherein an amount of ₹ 3,500/- is collected from the victim with a promise to deliver a Smartphone worth ₹ 10,000/-. However, the parcel contained metal idols instead of Smartphone.
- (ii) The misuse of the brand name of the well-known companies for duping the public under the pretext of providing loan at cheaper interest rates is gaining terms gradually. RBI Bhubaneswar received information from its Central Office that there are complaints of frauds by UIBs with names similar to the well-known companies/ business groups like Tata, Mahindra etc.
- (iii) A complaint dated September 18, 2017 on non-refund of deposits was received against a company named "**Alchemist Infra Reality Ltd**". The captioned company was registered with ROC-Delhi and one of its branches was operating in Aska in Ganjam District.
- (iv) A reference letter dated September 20, 2017 has been received from SEBI that a company named **Radhika Financial Services Pvt. Ltd.** had collected deposits from the public. As per MCA website, the captioned company was found to be registered with RoC-Cuttack since April 5, 2011. However, considering the information provided by the complainant that an office of the entity was located in Agra, a copy of the complaint along with its enclosures has also been shared with RBI, Lucknow on October 20, 2017.
- (v) A complaint was received from a resident of Balasore, Odisha wherein he mentioned having received an email from "**pepsicricketindia@gmail.com**" informing him of having won a cash prize of ₹ 2,50,00,000/- and advising him to pay processing charges for claiming the prize money. The complainant had, subsequently, paid an amount of ₹ 4,60,000/- in various phases.
- (vi) A newspaper advertisement in Times of India dated October 9, 2017 published that **Sundaram Finance (P) Ltd.** was giving out loan ranging from Rs. 1 lakh -100 crore for any industrial, agriculture, education or any other project at 3% ROI p.a. The advertisement contained only the mobile numbers

of the aforesaid company. On enquiry, it was gathered that the company offered minimum loan amount of Rs. 3 lakh and the same could be availed by submitting some ID proof and other documents through mail. During the course of telephonic enquiry, it was ascertained that the said entity did not have any office in the State of Odisha and their office was located at Jaipur, Rajasthan.

- (vii) A complaint has been received from Shri Rajesh Kumar, Jharkhand against **Shrivallis Securities Ltd.** on non-refund of deposits. The captioned company is not registered with RBI but is registered with RoC-Cuttack since December 14, 2010 as per MCA website.
- (viii) A complaint has been received from an organization "Arthika SansthamanankaDwara Kshatigrastanka Milita Mancha (ASKMM)" alleging that a Multi-State Co-operative Society (MSCS) named **Adarsh Credit Co-operative Society (MSCS)** has been mobilizing deposits from various districts of Odisha. As the society is registered in Rajasthan and presently being operated from Ahmadabad, RBI, Bhubaneswar has requested RBI Jaipur and RBI Ahmedabad vide letter dated October 20, 2017 to ascertain the genuineness of the society. Further, the matter has been referred vide letters dated October 13, 2017 and October 18, 2017 to RCS, Bhubaneswar and CRCS, Delhi respectively for ascertaining their registration status to operate inside Odisha.
- (ix) RBI, Ahmadabad has intimated us that a newspaper advertisement in Vadodara edition of a vernacular newspaper, "Divya Bhaskar", mentioned about various types of loans being offered by one entity by name "Singhaniya Group of Finance". The said entity was neither registered with RBI nor MCA. The website of the company revealed usage of fake Certificate of Incorporation of RoC, Gujarat, fake authority letter of RoC, Mumbai as well as CoR of RBI. The information was shared with us as the entity was reported to be operating from a certain office situated in Bhubaneswar. On receipt of this information, RBI Bhubaneswar conducted a Market Intelligence visit on November 1, 2017 to the said office address as obtained from the company's website. However,


no such office of the entity could be found. Moreover even the webpage and website of the entity is not traceable now.

- (x) An email was received from MIU, Bengaluru forwarding the complaint of one Smt. Manjunath Hugar regarding dubious operation of **Hypercare Marketing Private Limited** through its website www.wayxlife.com. The complainant has alleged that the company has been collecting ₹ 600/- from the public as one time registration fees and assuring to pay out in return ₹ 50/- every week into the wallet or bank a/c of the registered customer. The company is registered with RoC, Cuttack and not registered with RBI. A copy of the complaint along with the enclosures have been forwarded to RoC, Cuttack vide letter dated November 19, 2017 for necessary action at their end.
- (xi) An email was received stating that he had invested in a certain scheme, namely **Sahara E-Shine Schemes** since March 19, 2012. The complainant has alleged that, on approaching Sahara office, after maturity of the bonds, he was refused his due. It was however ascertained from the documents (copies of bond certificates) provided by the complainant, that the bonds were due to mature in 2020. The complainant has been advised accordingly and a copy of the complaint has been forwarded to RCS, Odisha with endorsement to CRCS and RBI Lucknow for information and necessary action on Nov 28, 2017.
- (xii) Certain advertisements are repeatedly appearing in the classified column of the newspapers which claim to offer loans on the basis of verification of minimum documents like educational certificates, property documents, etc., for individual and commercial purpose. The loan offered was ranging from ₹ 1 lakh to ₹ 20 lakh at a rate of interest of ranging between 2 and 4% per annum. The MI unit collected these advertisements over the last one month and made further enquiry. As the said entities only shared their mobile numbers in the advertisements and did not mention their office address, the MI team contacted a few telephone numbers. While many did not respond, the ones who responded were highly secretive in their communication or conveyed that processing fees was required to be paid for processing the request for loan. Further, the telephone numbers belonged to outside Odisha circle. There

is an apprehension that the entities/companies may be involved in the activity of unauthorized deposit mobilization.

- (xiii) RBI, Bhopal has intimated us that an entity by the name **Garib Vikas Sanstha** had applied for allotment of IFSC code and account number series in connection with establishment of Janhit bank. However, RBI Central Office has confirmed that they have neither issued nor were considering issuing banking licence to the aforesaid entity. Moreover, the entity has been cautioned not to use the word "Bank" and not conduct banking activities with immediate effect. This information is shared with the members for their information.


Under the above factual scenario, you are requested to sensitize all field functionaries under your control and to instruct them to take proactive measures to curb the menace of economic offences in the State.


(S.K.Upadhyay)
Additional General of Police,
CID-CB, Odisha

Memo No. 2 3 6 /ADG-Con

Date 22.12.2017

Copy forwarded to All Range IsGP including IGP EOW & STF/All Range DIsGP/Commissioner of Police, Bhubaneswar-Cuttack/Additional DG of Police, Railways, Odisha, Cuttack for information and necessary action.


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