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Reg No.KL/TV(N)/634/2021-2023

കേരള സർക്കാർ  
GOVERNMENT OF KERALA

# കേരള ഗസറ്റ് KERALA GAZETTE

ആധികാരികമായി പ്രസിദ്ധപ്പെടുത്തുന്നത്  
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## Part III Taxes

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GOVERNMENT OF KERALA  
2021



**Proceedings of the Deputy Commissioner of State Tax State Goods and  
Services Tax Department , Irinjalakuda**

(Present : SAJU NAMBADAN)

*Sub:*—The KML Act 1958 Conduct of business without renewal of licence as stipulated u/s 4(6)-offence committed by M/s Lakshmi Finance, Kodungallur for the year 2021-22—Cancellation of the licence u/s 14 of the KML Act 1958—Notice issued—Cancellation Order issued—Reg.

*Read:*—(1) Licence No. 32080308142 granted to M/s Lakshmi Finance, Kodungallur.

(2) This Office Notice No. 32080308142/2021-22 dated 28-6-2021.

(3) Order No. 32080308142/2021-22 dated 23-7-2021.

(4) Cancellation Notice No. 32080308142/2021-22 dated 23-7-2021.

M/s Lakshmi Finance, Kodungallur is a licensee on the rolls of the undersigned with KML Reg. No. 32080308142.

As per Section 3(1) of the KML Act 1958, no person, firm or joint family (or unincorporated association of individuals shall commence or) carry on or continue business as a money lender without a licence obtained under section 4(2) of the KML Act 1958. Section 4(6) of the Act further stipulates that a licence granted under sub-section (2) of section 4 has to be renewed from year to year and the provisions of sub-sections (1) to (5) of section 4 shall apply in relation to the renewal of a licence.

In this case it is noted that M/s. Lakshmi Finance, Kodungallur has not renewed the licence as stipulated u/s 4(6) of the KML Act 1958 r/w rule 4(1) of KML Rules 1964 for the years 2021-22 (1-4-2021 to 31-3-2022). The last date for renewal of license fee for the year 2021-22 was 30-4-2021. The licensee has also not intimated the closure of business and the KML licence is also not seen surrendered till this date. The deliberate action of failure to renew the licence is an offence U/s 18C (a) and (e) of the KML Act 1958 warranting imposition of penalty. As per ref. No. 3rd cited above a penalty of ₹ 50,000 has been imposed upon the licence for having failed to renew the licence for the 2021-22.

Failure to renew licence is a valid ground to cancel the licence issued to the money lender U/s 14(1)(a) of the KML Act 1958. It is noted that without renewing the licence for the year 2021-22, the licensee is conducting unauthorized business of money lending which cannot be permitted as per the Kerala Money Lender Act and Rules.

In the circumstances a notice referred 4th above was issued to the licensee to show cause as to why the licence shall not be cancelled on the ground of failure to renew the licence. The licensee is seen accepted the above notice on 2-8-2021, but till date he has not responded to the notice. It is also noted that the opportunity for personal hearing granted to the licensee on 9-8-2021 is not seen availed by him. The latest verification of the status of the licensee in the KVATIS on 18-8-2021 is not renewed. Hence there is no option left in this case, but to cancel the licence issued to the licence immediate effect.

In the circumstances, the following orders are issued.

**ORDER NO. 32080308142/2021-22 Dated 18-8-2021**

For the reasons stated above, by exercising the powers vested upon me, U/s 14(1)(a) of the Kerala Money Lenders Act 1958, the KML Licence No. 32080308142 granted to M/s Lakshmi Finance, Kodungallur is hereby cancelled with effect from 1-4-2021.

SGST Department,  
Irinjalakuda.

(Sd.)  
Deputy Commissioner of State Tax.

