

**GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF FINANCIAL SERVICES**

**LOK SABHA**

**UNSTARRED QUESTION NO. 1758  
TO BE ANSWERED ON FRIDAY, JULY 27, 2018/SHRAVANA 5, 1940 (SAKA)  
UNREGULATED DEPOSIT SCHEMES BILL, 2018**

**1758. KUNWAR BHARATENDRA:**

Will the Minister of FINANCE be pleased to state:

- (a) the present status of the Banning of Unregulated Deposit Schemes Bill, 2018;
- (b) whether direct selling has been excluded from the ambit of the said Bill, if so, the details thereof;
- (c) whether the Government intends to repeal the Prize Chits and Money Circulation Schemes (Banning) Act, 1978 if so, the details thereof; and
- (d) the time by which the Bill is likely to come in force?

**ANSWER**

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE  
(SHRI SHIV PRATAP SHUKLA)**

**(a) to (c):** The Banning of Unregulated Deposit Schemes Bill, 2018 has been introduced in the Lok Sabha on 18.07.2018. Clause 2(17) of the introduced Bill defines an Unregulated Deposit Scheme as “*Unregulated Deposit Scheme’ means a Scheme or an arrangement under which deposits are accepted or solicited by any deposit taker by way of business and which is not a Regulated Deposit Scheme*”. Clause 3 (a) of the introduced Bill provides that “*On and from the date of commencement of the Act, (a) the Unregulated Deposit Schemes shall be banned;...*”. Clause 6 of the introduced Bill further provides that “*A prize chit or a money circulation scheme banned under the provisions of the Prize Chits and Money Circulation Scheme (Banning) Act, 1978 shall be deemed to be an Unregulated Deposit Scheme under this Act*”.

**(d):** The Bill is yet to be passed by both Houses of the Parliament.

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