

Unregulated Deposit Schemes in India: A Critical Examination of Legal and Institutional Responses

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1. INTRODUCTION:

The expansion of financial markets in India over the last few decades has transformed the country's economic landscape by improving access to banking, investment opportunities, and credit facilities. Liberalization policies, digital financial inclusion initiatives, and the growth of institutional finance have collectively strengthened the formal financial system. Despite these developments, a considerable portion of the population—particularly in rural and semi-urban areas—continues to depend on informal financial arrangements. Factors such as limited financial literacy, lack of access to formal banking infrastructure, procedural complexities, and distrust in institutional systems have contributed to this reliance. This structural gap has created fertile ground for the emergence and proliferation of unregulated deposit schemes, which operate beyond the supervision of recognized regulatory authorities and exploit the vulnerabilities of ordinary investors.

Unregulated deposit schemes typically present themselves as lucrative investment opportunities offering exceptionally high returns within short periods and often with little or no risk. Such representations are inherently misleading, as they are designed to attract individuals who lack adequate knowledge of financial markets. These schemes often function without transparency, accountability, or legal safeguards, making it difficult for investors to verify their legitimacy. In many instances, they operate on Ponzi or pyramid structures, where returns to earlier investors are paid using funds collected from new participants rather than from legitimate business activities. This unsustainable model eventually collapses, leaving a large number of investors with substantial financial losses. Historically, the phenomenon of unregulated deposit schemes is not new to India. Informal savings and credit systems, including chit funds and rotating savings arrangements, have existed for generations, particularly in rural communities. While some of these traditional systems operate legitimately and serve important socio-economic functions, others have been misused as a cover for fraudulent activities. Over time, fraudulent operators have adapted their methods, taking advantage of technological advancements and communication tools to expand their reach. The advent of mobile banking, digital payment systems, and social media platforms has further enabled such schemes to operate on a larger scale, often transcending geographical boundaries and making detection more challenging for authorities.

The consequences of unregulated deposit schemes are far-reaching and severe. At an individual level, investors often lose their life savings, leading to financial distress, indebtedness, and psychological trauma. In extreme cases, such losses have contributed to social instability and even incidents of self-harm. At a broader level, these schemes undermine public confidence in the financial system, discourage

formal savings, and disrupt economic stability. The ripple effects extend to the banking and regulatory sectors, as the erosion of trust make it more difficult to promote financial inclusion and institutional investment.

Recognizing the seriousness of the problem, the Indian legislature has undertaken several measures to regulate deposit-taking activities and protect investors. Various statutes have been enacted to address different aspects of financial regulation. For instance, the Companies Act, 2013 regulates the acceptance of deposits by companies and imposes disclosure and compliance requirements. Similarly, the Reserve Bank of India Act, 1934 empowers the central bank to regulate non-banking financial companies engaged in deposit-taking activities, while the Securities and Exchange Board of India Act, 1992 governs collective investment schemes and capital market activities. Although these laws provide a framework for regulating legitimate financial activities, they were not specifically designed to address the issue of unregulated deposit schemes in a comprehensive manner.

The fragmented nature of the legal framework created loopholes that were exploited by fraudulent entities. These operators often structured their schemes in ways that allowed them to evade regulation by multiple authorities. Jurisdictional overlaps and ambiguities further complicated enforcement efforts, resulting in delays and inefficiencies in addressing fraud cases. Consequently, there was a growing need for a unified and comprehensive legislative mechanism to specifically target unregulated deposit schemes. In response to this need, the Indian Parliament enacted the Banning of Unregulated Deposit Schemes Act, 2019, which represents a significant milestone in the regulation of deposit-taking activities. The Act seeks to prohibit unregulated deposit schemes, protect the interests of depositors, and establish a mechanism for the attachment and recovery of properties acquired through such schemes. It introduces a clear distinction between regulated and unregulated deposits and provides for stringent penalties, including imprisonment and fines, for those involved in fraudulent activities. Additionally, the Act empowers designated authorities to take swift action against offenders and ensures that the interests of depositors are prioritized during the recovery process.

However, the mere existence of a comprehensive legal framework does not guarantee its effectiveness. The success of such legislation largely depends on its implementation, the capacity of enforcement agencies, and the level of coordination among various regulatory bodies. Institutions such as the Reserve Bank of India, the Securities and Exchange Board of India, and the Ministry of Corporate Affairs play crucial roles in regulating financial activities and ensuring compliance. However, overlapping jurisdictions and lack of seamless coordination often hinder the effectiveness of enforcement mechanisms. Moreover, the rapid evolution of financial technologies poses additional challenges, as regulatory frameworks struggle to keep pace with new forms of digital fraud.

Another critical issue is the lack of investor awareness and financial literacy. Many individuals remain unaware of the risks associated with unregulated deposit schemes and are unable to distinguish between legitimate and fraudulent investment opportunities. This highlights the need for comprehensive awareness programs and educational initiatives aimed at empowering investors with the knowledge required to make informed financial decisions. Without such efforts, regulatory measures alone may not be sufficient to prevent the recurrence of fraudulent schemes.

In this context, the present research paper seeks to critically examine the legal and institutional responses to unregulated deposit schemes in India. It aims to analyze the adequacy of the existing legal framework, evaluate the effectiveness of regulatory authorities, and identify the challenges that hinder successful implementation. The study also explores the need for reforms and policy interventions to strengthen

depositor protection and enhance the overall integrity of the financial system. By adopting a doctrinal and analytical approach, the paper intends to contribute to the ongoing discourse on financial regulation and investor protection in India. It emphasizes the importance of a coordinated and proactive strategy that combines legal measures, institutional efficiency, technological innovation, and public awareness. Ultimately, addressing the issue of unregulated deposit schemes is not only essential for safeguarding individual investors but also for ensuring the stability and credibility of the broader financial ecosystem.

2. Concept and Nature of Unregulated Deposit Schemes:

Unregulated deposit schemes constitute financial arrangements wherein individuals, firms, or organizations invite or accept deposits from the public without obtaining authorization or recognition from competent statutory authorities. These schemes operate outside the established legal and regulatory framework and, therefore, lack the essential safeguards that are typically available in formal financial systems. The Banning of Unregulated Deposit Schemes Act, 2019 provides a statutory basis for identifying and prohibiting such schemes by clearly distinguishing between regulated and unregulated deposit-taking activities.

A defining characteristic of unregulated deposit schemes is the absence of transparency and accountability. Unlike regulated financial institutions, these entities do not adhere to prescribed disclosure norms, auditing requirements, or reporting standards. As a result, investors have limited or no access to reliable information regarding the utilization of their funds. This opacity creates an environment conducive to manipulation, where operators can misappropriate deposits without immediate detection. Additionally, such schemes typically promise abnormally high returns within short durations, often coupled with assurances of minimal or no risk. These unrealistic promises are designed to attract individuals who may lack adequate financial literacy or awareness of investment risks. Unregulated deposit schemes frequently masquerade as legitimate financial ventures, including investment plans, cooperative societies, multi-level marketing arrangements, or informal savings groups. They often exploit existing social and community networks to build trust and credibility. In many cases, promoters rely on word-of-mouth publicity and personal relationships to expand their investor base, making it difficult for potential depositors to question their authenticity. This social dimension enhances the reach of such schemes, particularly in rural and semi-urban areas where formal financial access remains limited. Structurally, many unregulated deposit schemes resemble Ponzi or pyramid models. In such arrangements, returns to earlier investors are financed through the contributions of new participants rather than through genuine profit-generating activities. This creates an inherently unstable financial structure that depends on a continuous inflow of funds. Once the rate of new investments declines, the scheme becomes unsustainable and eventually collapses, leaving the majority of investors with substantial losses. The deceptive nature of these schemes often delays detection, allowing operators to continue their activities until the financial damage becomes significant.

The adverse impact of unregulated deposit schemes extends beyond individual financial loss. At a systemic level, they erode public confidence in financial institutions and discourage participation in formal banking and investment channels. This undermines efforts toward financial inclusion and weakens the overall credibility of the financial system. Furthermore, large-scale frauds can disrupt economic stability by diverting funds from productive sectors and creating liquidity distortions. In light of these characteristics, understanding the concept and nature of unregulated deposit schemes is essential for developing effective legal and regulatory responses. A comprehensive approach requires not only

robust legislation but also proactive monitoring, institutional coordination, and increased public awareness to prevent the proliferation of such schemes and safeguard the interests of depositors.

3. Evolution of Legal Framework Governing Deposit Schemes in India:

The legal framework regulating deposit schemes in India has developed gradually in response to the changing dynamics of the financial sector and the increasing incidence of fraudulent deposit-taking practices. In the initial stages, regulation was neither comprehensive nor centralized; instead, it was dispersed across multiple legislations, each addressing a specific segment of financial activity. This fragmented approach, although useful in regulating legitimate institutions, proved inadequate in tackling the complexities of unregulated deposit schemes, which often operated across legal and jurisdictional boundaries.

One of the primary statutes governing deposit-taking activities is the Companies Act, 2013, which introduced detailed provisions relating to the acceptance of deposits by companies. The Act imposes restrictions on companies seeking to raise deposits from the public and mandates compliance with disclosure requirements, maintenance of deposit repayment reserves, and adherence to prescribed limits. These provisions aim to ensure transparency and safeguard the interests of depositors by holding corporate entities accountable for their financial conduct. Parallely, the Reserve Bank of India Act, 1934 empowers the Reserve Bank of India to regulate non-banking financial companies (NBFCs) involved in deposit-taking activities. The RBI has issued various directions and guidelines to monitor NBFCs, including licensing requirements, capital adequacy norms, and restrictions on acceptance of public deposits. This regulatory oversight plays a crucial role in maintaining financial discipline and preventing misuse of depositor funds within the non-banking sector.

Further, the Securities and Exchange Board of India Act, 1992 entrusts the Securities and Exchange Board of India with the responsibility of regulating collective investment schemes and protecting investors in the securities market. Entities operating such schemes are required to register with SEBI and comply with stringent disclosure and operational norms. This framework is designed to ensure that investment activities are conducted in a fair and transparent manner.

Despite the presence of these legislations, significant regulatory gaps persisted. Fraudulent operators often exploited overlaps and ambiguities between different laws and regulatory bodies to evade scrutiny. By structuring their schemes in innovative ways, they managed to remain outside the purview of any single regulator. This lack of a unified legal mechanism resulted in delayed enforcement and ineffective prosecution, thereby allowing unregulated deposit schemes to flourish. A major legislative breakthrough came with the enactment of the Banning of Unregulated Deposit Schemes Act, 2019, which marked a decisive shift toward a comprehensive regulatory approach. The Act consolidates and strengthens the legal framework by explicitly prohibiting unregulated deposit schemes and clearly defining the concept of “deposit.” It provides a structured classification of regulated entities and permissible deposit schemes, thereby reducing ambiguity. Importantly, the Act introduces stringent penal provisions, including imprisonment and monetary penalties, to deter offenders. It also empowers authorities to attach properties and ensure repayment to depositors, thereby prioritizing their interests. This evolution reflects the Indian government’s increasing recognition of the need for a cohesive and robust legal response to financial fraud. However, the effectiveness of this framework ultimately depends on its practical implementation. Ensuring seamless coordination among regulatory institutions, enhancing enforcement capabilities, and addressing emerging challenges remain critical to achieving the intended objectives of

the law.

4. Institutional Mechanisms and Regulatory Authorities:

The regulation of deposit schemes in India is characterized by a multi-layered institutional framework involving several regulatory authorities, each entrusted with specific functions and responsibilities. This structure is designed to ensure comprehensive oversight across different segments of the financial system. However, while the presence of multiple regulators enhances the scope of supervision, it also creates challenges relating to coordination, jurisdictional clarity, and effective enforcement. The institutional response to unregulated deposit schemes, therefore, must be understood in the context of this complex regulatory architecture.

At the core of this framework is the Reserve Bank of India, which plays a pivotal role in regulating the financial sector, particularly non-banking financial companies (NBFCs) engaged in deposit-taking activities. Acting under the powers conferred by the Reserve Bank of India Act, 1934, the RBI formulates policies, issues directions, and conducts inspections to ensure that financial institutions adhere to prudential norms. It also has the authority to impose penalties and restrict operations of entities that fail to comply with regulatory requirements. Through its supervisory functions, the RBI seeks to maintain financial stability and protect depositors from potential risks.

Complementing the RBI's role is the Securities and Exchange Board of India, which regulates collective investment schemes and safeguards investor interests in the securities market under the Securities and Exchange Board of India Act, 1992. SEBI ensures that entities offering investment opportunities comply with registration requirements, disclosure norms, and governance standards. By monitoring market practices and enforcing compliance, SEBI plays a crucial role in preventing fraudulent investment schemes from misleading investors.

Another key institution is the Ministry of Corporate Affairs, which administers corporate laws and oversees the functioning of companies under the Companies Act, 2013. The Ministry, along with the Registrar of Companies, is responsible for ensuring that companies comply with statutory provisions related to acceptance of deposits, financial disclosures, and corporate governance. It has the authority to initiate investigations and take action against companies that violate legal norms, thereby contributing to the regulation of deposit-related activities within the corporate sector.

In addition to these central regulatory bodies, state governments and local law enforcement agencies play a vital role in addressing unregulated deposit schemes. The Banning of Unregulated Deposit Schemes Act, 2019 empowers designated authorities at the state level to take immediate action against fraudulent entities, including attachment of properties and initiation of prosecution. Police authorities and economic offences wings are often involved in investigating such cases, collecting evidence, and ensuring that offenders are brought to justice.

Despite the presence of a well-defined institutional framework, practical challenges persist. Overlapping jurisdictions among regulatory bodies often lead to ambiguity regarding responsibility, resulting in delays in enforcement. Lack of effective coordination and information sharing further weakens the overall response to fraudulent schemes. Additionally, resource constraints and procedural complexities can hinder timely action, allowing such schemes to proliferate. Therefore, while the institutional mechanisms in place provide a strong foundation for regulating deposit schemes, their effectiveness depends on enhanced coordination, clear delineation of responsibilities, and the adoption of a collaborative approach among all stakeholders. Strengthening these aspects is essential to ensure robust

enforcement and effective protection of depositors in India.

5. Challenges in Regulation and Enforcement:

Notwithstanding the existence of a comprehensive statutory framework, the regulation and enforcement of laws relating to unregulated deposit schemes in India continue to face several structural and practical challenges. One of the most significant impediments is the low level of financial awareness among investors, particularly in rural and semi-urban areas. A large segment of the population lacks the ability to differentiate between legitimate financial instruments and fraudulent schemes that promise unrealistic returns. This informational asymmetry is frequently exploited by unscrupulous operators who use persuasive marketing tactics, personal networks, and misleading assurances to gain the trust of potential depositors. As a result, preventive regulation becomes difficult, and enforcement often occurs only after substantial financial damage has already been inflicted.

Another critical issue lies in the complexity and fragmentation of the regulatory framework. Although various statutes—such as the Companies Act, 2013, the Reserve Bank of India Act, 1934, the Securities and Exchange Board of India Act, 1992 and the Banning of Unregulated Deposit Schemes Act, 2019—address different aspects of deposit-taking activities, the absence of seamless integration among these laws creates regulatory overlaps. Multiple authorities, including the Reserve Bank of India, the Securities and Exchange Board of India, and the Ministry of Corporate Affairs, exercise jurisdiction over related domains. However, ambiguity regarding the scope of their respective powers often leads to delays in decision-making and weakens accountability. Fraudulent entities exploit these gaps by structuring their operations in ways that fall outside the clear jurisdiction of any single regulator.

Technological advancements have further complicated the enforcement landscape. The increasing use of digital platforms, mobile applications, and online payment systems has enabled fraudulent schemes to operate across state and national boundaries with relative ease. These platforms provide anonymity to operators and facilitate rapid movement of funds, making detection and tracing of financial transactions more difficult for enforcement agencies. Moreover, the cross-border nature of certain digital transactions raises additional challenges related to jurisdiction and international cooperation.

In addition to these issues, the enforcement machinery itself faces limitations in terms of resources, technical expertise, and institutional capacity. Investigating financial frauds involving complex transactions and multiple stakeholders requires specialized knowledge and advanced technological tools, which are not always readily available to enforcement agencies. Consequently, investigations tend to be time-consuming, and the process of asset recovery is often prolonged and uncertain. This delay not only reduces the likelihood of full restitution to affected depositors but also diminishes the deterrent effect of legal sanctions. Furthermore, procedural delays within the judicial system can hinder the timely resolution of cases, thereby prolonging the suffering of victims and undermining confidence in the legal system. Taken together, these challenges underscore the need for a more streamlined, coordinated, and technologically equipped approach to regulation and enforcement. Strengthening institutional capacity, enhancing inter-agency collaboration, and promoting investor awareness are essential steps toward effectively addressing the persistent threat posed by unregulated deposit schemes in India.

6. Judicial Approach and Case Analysis:

The judiciary in India has played a crucial and proactive role in addressing the challenges posed by unregulated deposit schemes, particularly in safeguarding the interests of investors and maintaining the

integrity of the financial system. Courts have consistently emphasized the necessity of strict regulatory compliance and have supported the actions of statutory authorities in curbing fraudulent financial practices. Through a series of significant judgments, the higher judiciary has reinforced the principle that economic offences, especially those involving public deposits, must be dealt with firmly to deter future misconduct.

One of the most notable cases in this context is Sahara India Real Estate Corporation Ltd. v. Securities and Exchange Board of India, where the Supreme Court directed the refund of thousands of crores collected from investors through unauthorized schemes. The Court upheld the authority of the Securities and Exchange Board of India to regulate such activities and underscored the importance of transparency and accountability in financial transactions. This decision marked a significant step in strengthening investor protection and demonstrated the judiciary's willingness to intervene decisively in cases of large-scale financial irregularities.

Similarly, judicial intervention in the aftermath of the Saradha Chit Fund Scam highlighted the role of courts in ensuring thorough investigation and accountability. The courts facilitated the involvement of central investigative agencies and emphasized the need for coordinated efforts to recover funds and deliver justice to affected investors. These cases illustrate how judicial scrutiny can compel regulatory authorities to act more effectively and ensure that perpetrators are held accountable.

In addition to addressing individual cases, the judiciary has contributed significantly to the interpretation of statutory provisions under laws such as the Banning of Unregulated Deposit Schemes Act, 2019 and related legislations. Courts have clarified ambiguities, reinforced the scope of regulatory powers, and upheld stringent penal provisions aimed at deterring fraudulent activities. At the same time, they have stressed the importance of due process and fairness in enforcement actions. However, despite this proactive stance, the effectiveness of judicial remedies is often constrained by procedural delays, backlog of cases, and complexities involved in financial investigations. The process of adjudication and asset recovery can be time-intensive, which may delay relief to affected depositors. Therefore, while the judiciary remains a vital pillar in combating unregulated deposit schemes, its efforts must be complemented by efficient enforcement mechanisms and institutional coordination to achieve timely and effective outcomes.

7. Comparative Perspective:

A comparative examination of international regulatory frameworks reveals that several developed jurisdictions have adopted more centralized, coordinated, and technologically advanced approaches to regulate deposit schemes and protect investors. These systems place strong emphasis on preventive regulation, swift enforcement, and continuous investor education, thereby minimizing the scope for fraudulent financial activities. Such models offer valuable insights for strengthening the Indian regulatory landscape.

In the United States, regulatory oversight is largely exercised through agencies such as the Securities and Exchange Commission, which possesses wide-ranging powers to investigate, prosecute, and impose substantial penalties on entities involved in financial fraud. The regulatory framework is supported by stringent disclosure requirements, mandatory registration of investment schemes, and robust surveillance mechanisms. Additionally, the United States places significant emphasis on investor awareness through public campaigns and accessible information portals, enabling individuals to make informed financial decisions and identify potential risks.

Similarly, in the United Kingdom, the Financial Conduct Authority plays a central role in regulating financial markets and preventing unauthorized deposit-taking activities. The regulatory regime is characterized by strong enforcement capabilities, including the power to freeze assets, impose fines, and initiate criminal proceedings against offenders. The United Kingdom also integrates advanced technological tools for monitoring financial transactions and detecting suspicious activities at an early stage. Furthermore, consumer protection is reinforced through comprehensive investor education programs and clear communication of regulatory guidelines.

In contrast, India's regulatory framework, while significantly strengthened by the enactment of the Banning of Unregulated Deposit Schemes Act, 2019, continues to operate through a multi-agency system that can sometimes lead to fragmentation and delays. Lessons from international practices suggest the importance of enhanced coordination among regulatory bodies, adoption of technology-driven monitoring systems, and a more proactive approach to enforcement. Adapting these global best practices to the Indian context—while considering its unique socio-economic conditions—can substantially improve the effectiveness of domestic regulations. A more integrated regulatory mechanism, coupled with increased public awareness and technological innovation, would contribute to a stronger and more resilient financial system capable of effectively addressing the challenges posed by unregulated deposit schemes.

8. Policy Recommendations and Reforms:

Addressing the persistent challenges posed by unregulated deposit schemes requires a multi-dimensional reform strategy that combines legal clarity, institutional efficiency, technological advancement, and public awareness. A primary reform measure involves the simplification and harmonization of the existing regulatory framework. At present, overlapping provisions under statutes such as the Companies Act, 2013 and the Banning of Unregulated Deposit Schemes Act, 2019 can create ambiguity and hinder effective enforcement. Streamlining these laws and clearly delineating the jurisdiction of regulatory authorities would enhance consistency and reduce the possibility of regulatory arbitrage.

Equally important is the need to strengthen institutional coordination among key regulatory bodies, including the Reserve Bank of India, the Securities and Exchange Board of India, and the Ministry of Corporate Affairs. The establishment of a centralized and integrated database of deposit-taking entities can significantly improve monitoring and facilitate real-time information sharing. Such coordination would enable quicker identification of suspicious activities and more effective enforcement action. Another critical area of reform is investor awareness and financial literacy. Targeted awareness programs, particularly in rural and semi-urban regions, are essential to educate individuals about the risks associated with unregulated schemes. Empowering citizens with basic financial knowledge can serve as a preventive mechanism, reducing the likelihood of exploitation. Furthermore, leveraging technological tools is crucial in the modern regulatory environment. The use of data analytics, artificial intelligence, and digital surveillance systems can assist regulators in identifying unusual financial patterns and detecting fraudulent schemes at an early stage. These tools can also enhance the efficiency of investigations and improve the accuracy of risk assessment.

Lastly, strengthening enforcement mechanisms is indispensable. This includes capacity building of investigative agencies, expediting the adjudication process, and ensuring effective recovery of defrauded funds. A robust enforcement framework that emphasizes accountability and deterrence will not only address existing challenges but also discourage the emergence of new fraudulent schemes. Collectively,

these reforms can contribute to a more resilient and responsive regulatory system capable of safeguarding depositor interests.

9. Conclusion:

Unregulated deposit schemes continue to represent a significant and evolving challenge to financial stability, investor confidence, and the broader integrity of India's economic system. These schemes, which operate outside formal regulatory oversight, exploit structural gaps in financial inclusion, legal enforcement, and public awareness. Despite the existence of an elaborate legal framework governing financial activities, the persistence of such schemes highlights the limitations of law in the absence of effective implementation and coordinated institutional action. The adverse consequences are not confined to individual financial losses; they extend to undermining trust in formal financial institutions and impeding the progress of inclusive economic development.

The enactment of the Banning of Unregulated Deposit Schemes Act, 2019 marks a decisive legislative intervention aimed at addressing this issue in a comprehensive manner. By clearly prohibiting unregulated deposit schemes, defining permissible financial activities, and introducing stringent penal provisions, the Act establishes a robust legal foundation for depositor protection. However, the true effectiveness of this legislation depends not merely on its statutory strength but on the efficiency of its enforcement. Practical challenges such as jurisdictional overlaps, delays in investigation, and limited institutional capacity continue to affect the timely and effective application of the law.

A critical aspect that emerges from this analysis is the need for enhanced coordination among regulatory authorities, including the Reserve Bank of India, the Securities and Exchange Board of India, and the Ministry of Corporate Affairs. A collaborative and integrated approach, supported by real-time information sharing and clear delineation of responsibilities, is essential to strengthen regulatory oversight and prevent the exploitation of legal ambiguities. Additionally, the growing use of digital platforms in financial transactions necessitates the adoption of advanced technological tools to detect and monitor fraudulent activities effectively. Equally important is the role of investor awareness and financial literacy in preventing the proliferation of unregulated deposit schemes. Empowering individuals with knowledge about legitimate financial practices and potential risks can serve as a strong preventive mechanism, reducing their susceptibility to fraudulent inducements. Public education initiatives, particularly in rural and semi-urban areas, must therefore be prioritized as part of a broader regulatory strategy. In conclusion, combating the menace of unregulated deposit schemes requires a holistic and sustained effort that goes beyond legislative enactments. It demands a synergy of legal reforms, institutional efficiency, technological innovation, and societal awareness. By adopting a proactive and coordinated approach, India can strengthen its financial regulatory framework, ensure effective protection of depositors and foster a secure, transparent and inclusive financial environment.

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