

**L. A. BILL No. XLVI OF 2026.**

*A BILL*

*further to amend the Maharashtra Protection of Interest of Depositors  
(in Financial Establishments) Act, 1999.*

Mah. 5 WHEREAS it is expedient further to amend the Maharashtra Protection of  
XVI of Interest of Depositors (in Financial Establishments) Act, 1999 for the purposes  
2000. hereinafter appearing ; it is hereby enacted in the Seventy-seventh Year of the  
Republic of India, as follows :—

1. This Act may be called the Maharashtra Protection of Interest of Short title.  
10 Depositors (in Financial Establishments) (Amendment) Act, 2026.

Amendment of section 2 of Mah. XVI of 2000. **2.** In section 2 of the Maharashtra Protection of Interest of Depositors (in Financial Establishments) Act, 1999 (hereinafter referred to as “the principal Act”),— Mah. XVI of 2000.

(1) in clause (c), after the words “valuable commodity” the words “or any Virtual Digital Asset” shall be inserted; 5

(2) after clause (e), the following clause shall be added, namely :—

“(f) “Virtual Digital Asset” shall have the same meaning as assigned to it in clause (111) of section 2 of the Income-tax Act, 2025.”. 30 of 2025.

Amendment of section 7 of Mah. XVI of 2000. **3.** In section 7 of the principal Act, after sub-section (6), the following sub-section shall be added, namely :— 10

“(7) In any proceedings instituted before the Designated Court, not more than two adjournments shall be granted :

Provided that, in exceptional circumstances and where the Designated Court is satisfied that it is necessary in the interest of justice, one additional adjournment may be granted after recording reasons therefor in writing.”. 15

Amendment of section 11 of Mah. XVI of 2000. **4.** In section 11 of the principal Act, the following proviso shall be added, namely :—

“Provided that, no appeal by the Financial Establishments against the order of the Designated Court, shall be entertained unless the Financial Establishment deposits fifty per cent. of the aggregate amount of its liability with the Competent Authority.”. 20

## STATEMENT OF OBJECTS AND REASONS

The Maharashtra Protection of Interest of Depositors (in Financial Establishments) Act, 1999 (Mah. XVI of 2000) is enacted to protect the interest of depositors in the Financial Establishments and matters relating thereto.

2. In recent times, financial frauds, unauthorized deposit schemes and investor deception are increasingly being carried out through crypto currencies, digital coins and other block chain-based digital instruments. However, such virtual digital assets are not included in the definition of the term “deposit” as contained in clause (c) of section 2 of the said Act. Therefore, to bring such virtual digital assets within the purview of the said Act, it is proposed to amend clause (c) of said section 2, suitably.

3. Section 7 of the said Act provides for powers of Designated Court of attachment of property of Financial Establishments which defaults in repayment of deposits by any depositor. To expedite the proceedings of the Designated Court, the Government considers it expedient to restrict adjournments during such proceedings on the lines of the provisions of the Bharatiya Nagarik Suraksha Sanhita, 2023 (46 of 2023). Therefore, it is proposed to amend said section 7 to provide that not more than two adjournments shall be granted but in exceptional circumstances one additional adjournment may be granted by the Designated Court.

4. Section 11 of the said Act provides for appeal against the order of the Designated Court. It is observed that sometimes appeals against the orders passed by the Designated Court are filed with a view to delay in recovery of deposit from Financial Establishments. To curb such practice of filing appeals to delay recovery of deposit, the Government considers it expedient to provide that no appeal shall be entertained unless the Financial Establishments deposit fifty per cent. of amount of its liability with the Competent Authority. Therefore, it is proposed to amend said section 11 suitably.

5. The Bill is intended to achieve the above objectives.

Mumbai,

Dated the 29th June, 2026.

DEVENDRA FADNAVIS,

Chief Minister.



**ANNEXURE TO THE L. A. BILL No. XLVI OF 2026.—THE  
MAHARASHTRA PROTECTION OF INTEREST OF DEPOSITORS (IN  
FINANCIAL ESTABLISHMENT) (AMENDMENT) BILL, 2026.**

*[Extracts from the Maharashtra Protection of Interest of  
Depositors (in Financial Establishment) Act, 1999.]*

**(Mah . XVI of 2000)**

1. \* \* \* \*
2. In this Act, unless the context otherwise requires,— Definitions.
- (a) and (b) \* \* \* \*
- (c) “deposit” includes and shall be deemed always to have included any receipt of money or acceptance of any valuable commodity by any Financial Establishment to be returned after a specified period or otherwise, either in cash or in kind or in the form of a specified service with or without any benefit in the form of interest, bonus, profit or in any other form, but does not include—
- (i) amount raised by way of share capital or by way of debenture, bond or any other instrument covered under the guidelines given, and regulations made, by the SEBI, established under the Securities and Exchange Board of India Act, 1992;
- (ii) amounts contributed as capital by partners of a firm;
- (iii) amounts received from a scheduled bank or a co-operative bank or any other banking company as defined in clause (c) of section 5 of the Banking Regulation Act, 1949;
- (iv) any amount received from,—
- (a) the Industrial Development Bank of India,
- (b) a State Financial Corporation,
- (c) any financial institution specified in or under section 6A of the Industrial Development Bank of India Act, 1964, or
- (d) any other institution that may be specified by the Government in this behalf;
- (v) amounts received in the ordinary course of business by way of,—
- (a) Security deposit,
- (b) dealership deposit,
- (c) earnest money,
- (d) advance against order for goods or services;
- (vi) any amount received from an individual or a firm or an association of individuals not being a body corporate, registered under any enactment relating to money lending which is for the time being in force in the State; and

(vii) any amount received by way of subscriptions in respect of a Chit.

*Explanation I.*— “Chit” has the meaning as assigned to it in clause (b) of section 2 of the Chit Funds Act, 1982;

*Explanation II.*—Any credit given by a seller to a buyer on the sale of an property (whether movable or immovable) shall not be deemed to be deposit for the purposes of this clause;

(d) and (e)           \*           \*           \*           \*

**3. to 10.**               \*           \*           \*           \*

Appeal.           **11.** Any person including the Competent Authority, if aggrieved by an order of the Designated Court, may appeal to the High Court within sixty days from the date of the order.

**12. to 17.**           \*           \*           \*           \*



**MAHARASHTRA LEGISLATURE  
SECRETARIAT**

**[ L. A. BILL No. XLVI OF 2026. ]**

**[ A Bill further to amend the Maharashtra  
Protection of Interest of Depositors  
(in Financial Establishments) Act, 1999. ]**

[ SHRI DEVENDRA FADNAVIS,  
Chief Minister. ]

JITENDRA BHOLE  
Secretary-1,  
Maharashtra Legislative Assembly.