

GOVERNMENT OF INDIA
MINISTRY OF COOPERATION

LOK SABHA
UNSTARRED QUESTION NO. 3776
TO BE ANSWERED ON 21st DECEMBER 2021

BANNING BANKING SERVICE BY COOPERATIVE SOCIETIES

3776. PROF. SOUGATA RAY:

Will the Minister of Co-operation सहकारिता मंत्री be pleased to state:

- (a) whether the Government noticed the problems faced by cooperative societies due to the recent order issued by RBI banning them from banking services;
- (b) if so, the details thereof; and
- (c) the steps taken by the Government to overcome such movements?

ANSWER

Minister of COOPERATION

सहकारिता मंत्री (SHRI AMIT SHAH)

(a) to (c): RBI had issued a Press Release on cautioning members of public against some co-operative societies using the word "Bank" in their names and accepting deposits from non-members/ nominal members/ associate members, which is tantamount to conducting banking business in violation of provisions of the Banking Regulation Act, 1949 (BR Act, 1949).

The purpose of the caution notice is to stop the violation of the statute and the same has been issued in public interest.
