

**GOVERNMENT OF INDIA
MINISTRY OF COOPERATION**

**LOK SABHA
UNSTARRED QUESTION NO 2603
TO BE ANSWERED ON 14th DECEMBER 2021**

RBI CONTROL OVER CO-OPERATIVE SOCIETIES/BANKS

2603: SHRI K. MURALEEDHARAN

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

- (a) whether Reserve Bank of India (RBI) have any control over Multi-State Co-operative Societies / State Cooperative Banks;
- (b) if so, the details thereof;
- (c) whether RBI cautioned the public against cooperative societies using “bank” in their names as well as accepting deposits from people who are not their members; and
- (d) if so, the details thereof?

ANSWER

MINISTER OF COOPERATION

सहकारिता मंत्री (SHRI AMIT SHAH)

(a) & (b): Multi-State Co-operative Societies including Multi-State Co-operative Banks are governed under the provisions of Multi-State Co-operative Societies Act, 2002. In addition, Multi-State Co-operative Banks are also regulated under the provisions of the Banking Regulation (BR) Act, 1949, by the Reserve Bank of India (RBI). The State Cooperative Banks are governed under the provisions of concerned State Cooperative Societies Act. In addition, State Cooperative Banks are also regulated under the provisions of the BR Act, 1949, by the RBI and supervised by National Bank for Agricultural and Rural Development (NABARD).

(c) & (d) Yes Sir. The Reserve Bank of India had issued a Press Release No. 2021-2022/1230 dated November 22, 2021 cautioning the public against various co-operative societies using the word “Bank” in their names and accepting deposits from non-members/ nominal members/ associate members, which tantamount to conducting banking business in violation of provisions of the Banking Regulation Act, 1949 (BR Act, 1949).
