BANNING COOPERATIVE SOCIETIES FROM DEPOSITS AND INVESTMENT

2676. PROF. SOUGATA RAY:

Will the Minister of COOPERATION (सहकारता मंत्री) be pleased to state:

(a) whether any State Government registered its opposition on RBI’s new notification on banning cooperative societies from deposits/investments;

(b) if so, the details thereof; and

(c) the steps taken to address their grievances?

ANSWER

MINISTER OF COOPERATION

सहकारता मंत्री (SHRI AMIT SHAH)

(a) to (c): Ministry of Cooperation has not received any representation from any State Government on RBI’s Press release on cautioning members of public against some cooperative societies using the word ‘Bank’ as part of their names and accepting deposits from non-members/ nominal members/ associate members, which is tantamount to conducting banking business in violation of the provisions of the Banking Regulation (BR) Act, 1949. However, RBI has received a letter dated 01.12.2021 from the Registrar of Co-operative Societies, Kerala and a letter dated 02.12.2021 from the Minister of Co-operation and Registration, Government of Kerala requesting for withdrawal of the caution notice issued by RBI.

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