

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:220
ANSWERED ON:22.02.2013
BANKING LICENCE TO COOPERATIVE CREDIT SOCIETIES
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Will the Minister of FINANCE be pleased to state:

- (a) whether cooperative credit societies are required to obtain banking licence from the Reserve Bank of India (RBI);
- (b) if so, the details thereof;
- (c) the number of licences issued by RBI for setting up cooperative credit societies during each of the last three years and the current year, State-wise; and
- (d) the manner in which these cooperative credit societies are likely to help the depositors?

Answer

The Minister of State in the Ministry of Finance (Shri Namo Narain Meena)

(a) to (c):- Cooperative Credit Societies are not required to obtain banking licence from the Reserve Bank of India(RBI) under the provisions of the Banking Regulation Act, 1949.

(d):- As per the existing instructions of RBI, the Primary Agricultural Cooperative Credit Societies (PACS) are not authorised to collect deposits from the public except members. They offer deposit services to their members and, in turn, use these resources to lend to the needy members of the Societies.