

RBI cautions public on co-op societies accepting deposits

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Mumbai, June 30: The Reserve Bank of India has advised members of the public to exercise caution and carry out due diligence before dealing with co-operative societies/primary co-operative credit societies.

The central bank's advice comes in the wake of instances of some co-operative societies/primary co-operative credit societies accepting deposits from non-members/ nominal members / associate members.

“Members of the public are hereby informed that such co-operative societies have neither been issued any licence under the Banking Regulation Act, 1949 (as applicable to co-operative societies) nor are they authorised by the RBI for doing banking business. The insurance cover from the Deposit Insurance and Credit Guarantee Corporation is not available for such deposits,” the RBI said.

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