



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA

वेबसाइट : www.rbi.org.in/hindi
Website : www.rbi.org.in

ई-मेल/email: helpdoc@rbi.org.in

संचार विभाग, केंद्रीय कार्यालय, एस.बी.एस.मार्ग, मुंबई-400001

Department of Communication, Central Office, S.B.S.Marg, Mumbai-400001
फोन/Phone: 022- 22660502

January 29, 2021

**Reserve Bank of India cancels the licence of Shivam Sahakari Bank Ltd,
Ichalkaranji, Kolhapur, Maharashtra**

Today, the Reserve Bank of India (RBI) has, vide order dated January 28, 2021 cancelled the licence of Shivam Sahakari Bank Ltd, Ichalkaranji, Kolhapur, Maharashtra. Consequently, the bank ceases to carry on banking business, with effect from the close of business on January 29, 2021. The Commissioner for Cooperation and Registrar of Cooperative Societies, Maharashtra has also been requested to issue an order for winding up the bank and appoint a liquidator for the bank.

The Reserve Bank cancelled the licence of the bank as:

- i. The bank does not have adequate capital and earning prospects. As such, it does not comply with the provisions of section 11(1) and section 22 (3) (d) read with section 56 of the Banking Regulation Act, 1949.
 - ii. The bank has failed to comply with the requirements of section 22(3) (a), 22 (3) (b), 22(3)(c), 22(3) (d) and 22(3)(e) read with section 56 of the Banking Regulation Act, 1949;
 - iii. The continuance of the bank is prejudicial to the interests of its depositors;
 - iv. The bank with its present financial position would be unable to pay its present depositors in full; and
 - v. Public interest would be adversely affected if the bank is allowed to carry on its banking business any further.
2. Consequent to the cancellation of its licence, Shivam Sahakari Bank Ltd, Ichalkaranji, Kolhapur, Maharashtra is prohibited from conducting the business of 'banking' which includes acceptance of deposits and repayment of deposits as defined in Section 5(b) read with Section 56 of the Banking Regulation Act, 1949 with immediate effect.
3. With the cancellation of licence and commencement of liquidation proceedings, the process of paying the depositors of Shivam Sahakari Bank Ltd, Ichalkaranji, Kolhapur, Maharashtra as per the DICGC Act, 1961 will be set in motion. As per the data submitted by the bank, more than 99% of the depositors are fully insured by Deposit Insurance and Credit Guarantee Corporation (DICGC). On liquidation, every depositor would be entitled to receive deposit insurance claim amount of his/her deposits up to a monetary ceiling of ₹5,00,000/- (Rupees Five lakh only) from the DICGC subject to the provisions of the DICGC Act, 1961.