

⁷¹[CHAPTER XA]

Insured Co-operative Banks

⁷¹[74A. Insured co-operative banks.- Notwithstanding anything contained in this Act, in the case of an insured Co-operative Bank,-

(i)an order for the winding up, or an order sanctioning a scheme of compromise or arrangement or of amalgamation or reconstruction (including division or reorganization), of the bank may be made only with the previous sanction in writing of the Reserve Bank of India;

(ii)an order for the winding up of the bank shall be made by the Registrar if so required by the Reserve Bank of India in the circumstances referred to in section 13D of the Deposit Insurance Corporation Act, 1961 (Central Act 47 of 1961);

(iii)if so required by the Reserve Bank of India in the public interest or for preventing the affairs of the bank being conducted in a manner detrimental to the interest of the depositors or for securing the proper management of the bank, an order shall be made for the supersession (removal) of the committee of management or other managing body (by whatever name called) of the bank and the appointment of an administrator therefore for such period or periods, not exceeding five years in the aggregate, as may from time to time be specified by the Reserve Bank of India, and the administrator so appointed shall after the expiry of his term of office, continue in office until the day immediately preceding the date of the first meeting of the new committee;

(iv)no appeal, revision or review shall lie or be permissible against an order referred to in clause (i), (ii) or (iii) made with the previous sanction in writing or on the requisition of the Reserve Bank of India and such order or sanction shall not be liable to be called in question in any manner;

(v)the liquidator or the insured co-operative bank or transferee

bank, as the case may be, shall be under an obligation to repay the Deposit Insurance Corporation established under the Deposit Insurance Corporation Act, 1961, in the circumstances, to the extent and in the manner referred to in section 21 of that Act.

Explanation.- For the purposes of this section,-

(i) “***co-operative bank***” means a bank as has been defined in the Deposit Insurance Corporation Act, 1961;

(ii) “***insured co-operative bank***” means a society which is an insured bank under the provisions of the Deposit Insurance Corporation Act, 1961;

(iii) “***transferee bank***” in relation to an insured co-operative bank means a co-operative bank—

(a) with which such insured co-operative bank is amalgamated; or

(b) to which the assets and liabilities of such insured co-operative bank are transferred; or

(c) into which such insured co-operative bank is divided or converted under the provisions of section 12 or section 14 of the Kerala Co-operative Societies Act, 1969 (21 of 1969).]