

The DCS Act 2003

Section 17 - (1) Where the Registrar is satisfied that it is essential in the public interest, or in the

interest of the co-operative movement, or for the purpose of securing the proper management of any co-operative society that two or more co-operative societies should be amalgamated or any co-operative society should be divided to form two or more co-operative societies or should be reorganised, then notwithstanding anything contained in section 16, but subject to the provisions of this section, the Registrar may, by order, provide for the amalgamation, division or reorganisation of these co-operative societies into a single co-operative society or into co-operative societies with such constitution, property, rights, interest and authorities and such liabilities, duties and obligations as may be specified in the order: Provided that no such order of amalgamation, division or reorganisation in respect of a co-operative bank shall be made without the previous sanction in writing of the Reserve Bank. (2) No order shall be made under this section unless - (a) a copy of the proposed order has been sent in draft to the co-operative society or each of the co-operative societies concerned; and (b) the Registrar has considered and made such modifications in the draft order as may seem to him desirable in the light of any suggestions and objections which may be received by him within such period (not being less than sixty days from the date on which a copy of the order aforesaid is received by the co-operative society or co-operative societies, as the case may be), as the Registrar may fix in that behalf, either from the co-operative society or from any of the co-operative societies concerned or from any member or class of members thereof or from any creditor or class of creditors thereof. (3) The order referred to in sub-section (1) may contain such incidental, consequential and supplemental provisions as may, in the opinion of the Registrar, be necessary to give effect to the amalgamation, division or reorganisation, as the case may be. (4) Every member or creditor of each of the co-operative society to be amalgamated, divided or reorganised, who has objected to the scheme of amalgamation, division, or reorganisation, within the period specified, shall be entitled to receive, on the issue of the order of amalgamation, division or reorganisation, his share or interest, if he be a member and the amount in satisfaction of his dues, if he be a creditor. (5) On the issue of an order under sub-section (1), the provisions of sub-sections (2), (3) and (4) of section 20 shall apply to the co-operative societies so amalgamated, divided or reorganised as if the amalgamation, division or reorganisation had been made under section