The DCS Act 2003

Section 56 - (1) A co-operative society may invest or deposit its fund

(a) in the postal savings bank; or (b) in any of the securities specified in section 20 of the Indian Trusts Act, 1882 (2 of 1882); or (c) in the shares or securities of any other co-operative society; or (d) with co-operative or scheduled or nationalised banks; or (e) in any federal co-operative society of which it is a member or apex or financing bank; or (f) in any other mode permitted by the rules : Provided that the co-operative bank shall be required to make investment of its funds in accordance with the directions, instructions and guidelines of the Reserve Bank. (2) Any investment or deposit made before the commencement of this Act which would have been valid if this Act had been in force are hereby ratified and confirmed.Section 57 - Restrictions on loans