



DEPOSIT INSURANCE AND CREDIT GUARANTEE CORPORATION

(Wholly owned subsidiary of the Reserve Bank of India)



61st Annual Report of the Board of Directors
Balance Sheet and Accounts for the year ended March 31, 2023

MISSION



**TO CONTRIBUTE TO FINANCIAL
STABILITY BY SECURING PUBLIC
CONFIDENCE IN THE BANKING SYSTEM
THROUGH PROVISION OF DEPOSIT
INSURANCE, PARTICULARLY FOR THE
BENEFIT OF THE SMALL DEPOSITORS**

VISION



**TO BE RECOGNISED AS ONE OF
THE MOST EFFICIENT AND
EFFECTIVE DEPOSIT INSURANCE
PROVIDERS, RESPONSIVE TO THE
NEEDS OF ITS STAKEHOLDERS**



CONTENTS

Particulars	Page No.
Letter of Transmittal to the Reserve Bank of India	i
Letter of Transmittal to the Government of India	ii
Board of Directors.....	iii
Organisation Structure.....	iv
Contact information of the Corporation.....	v
Principal Officers of the Corporation.....	vi
Abbreviations.....	vii-viii
2022-23 At a Glance.....	ix
Highlights.....	x-xiii
1. AN OVERVIEW OF DICGC	1-7
Introduction.....	1
History	1
Institutional Coverage.....	2
Registration of Banks	2
Insurance Coverage	2
Types of Deposits Covered	3
Insurance Premium	3
Cancellation of Registration	3
Supervision and Inspection of Insured Banks	3
Settlement of Claims	4

CONTENTS

Recovery of Settled Claims	5
Funds, Accounts and Taxation	5
2. MANAGEMENT DISCUSSION AND ANALYSIS	8-22
Introduction.....	8
Management Policy and Strategy	9
Risk Management Practices at DICGC	11
Deposit Insurance Fund (DIF) Target Size - Indian Experience	17
Concluding Observations	21
3. DIRECTORS' REPORT	23-62
Part I: Operations and Working	23
Deposit Insurance Scheme	23
Deposit Insurance Fund	24
Settlement of Deposit Insurance Claims	25
Claims Settled / Repayments Received.....	25
Court Cases	26
Credit Guarantee Schemes.....	26
Part II: Other Important Initiatives/Developments.....	26
Settlement of Claims under Section 18A of the DICGC Act – Submission of Claims by Banks under AID within statutory timeline	26
Measures Related to Recovery Management.....	27
Communication Policy and Strategy	27

CONTENTS

Risk Management	27
Part III: Statement of Accounts	27
Insurance Liabilities.....	27
Revenue during the Year.....	28
Accumulated Surplus	28
Investments.....	28
Taxation.....	28
Part IV: Treasury Operations.....	28
Part V: Organisational Matters	29
Board of Directors	29
Audit Committee of the Board	30
Internal Controls.....	30
Training and Skill Development.....	30
Staff Strength	31
The Right to Information Act, 2005.....	31
Use of Hindi.....	31
Customer Care Cell in the Corporation	31
Public Awareness	31
Role in International Association of Deposit Insurers.....	32
Auditors	32

CONTENTS

APPENDIX TABLES	33-62
1 Banks under the Deposit Insurance - Progress Since Inception	33
2A Insured Banks - Category-wise.....	34
2B Insured Cooperative Banks - State-wise	34
3 Banks Registered / De-Registered during 2022-23	35
4 Deposit Protection Coverage: Since Inception	36
5 Bank-wise Category - Insured Deposits	37
6 Deposit Insurance Claims Settled during 2022-23 (Liquidated/Merged Banks).....	38
6A Deposit Insurance Claims Settled during 2022-23 (Banks under All Inclusive Directions)	39
7 Provision held under Contingent Liability.....	40
7A Provision held under Contingent Liability - Banks under AID	41
8 Insurance Claims Settled and Repayment Received - All Banks Liquidated / Amalgamated / Reconstructed up to March 31, 2023	42-60
8A Insurance Claims Settled and Repayment Received - Banks Placed under All-inclusive Directions (AID) up to March 31, 2023	61
8B Insurance Claims Settled under Expeditious Settlement Scheme - up to March 31, 2023	62
4. AUDITORS' REPORT	63-66
5. BALANCE SHEET AND ACCOUNTS	68-82

CO.DICG.SECD.No.S532/ 01.01.016/ 2023-24

June 30, 2023

LETTER OF TRANSMITTAL
(To the Reserve Bank of India)

The Chief General Manager and Secretary
Secretary's Department
Reserve Bank of India
Central Office
Central Office Building
Shahid Bhagat Singh Road
Mumbai - 400 001

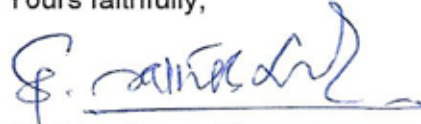
Dear Sir,

**Balance Sheet, Accounts and Report on the Working
of the Corporation for the year ended March 31, 2023**

In pursuance of the provisions of Section 32(1) of the Deposit Insurance and Credit Guarantee Corporation Act, 1961, we forward herewith a signed copy each of:

- (i) the Balance Sheet and Accounts of the Corporation for the year ended March 31, 2023 together with the Auditors' Report, and
 - (ii) the Report of the Board of Directors on the working of the Corporation for the year ended March 31, 2023.
2. Documents mentioned at (i) and (ii) have been furnished to the Government of India as required under Section 32(1) of the Deposit Insurance and Credit Guarantee Corporation Act, 1961.
3. The printed copies of the Annual Report of the Corporation will be sent to you in due course.

Yours faithfully,



(Sathish Kumar S)
Secretary

Encl: As above

CO.DICG.SECD.No.S531/ 01.01.016 /2023-24

June 30, 2023

LETTER OF TRANSMITTAL

(To the Government of India)

The Secretary to the Government of India
Ministry of Finance
Department of Financial Services
Jeevan Deep Building
Parliament Street
New Delhi - 110 001

Dear Sir,

**Balance Sheet, Accounts and Report on the Working of
the Corporation for the year ended March 31, 2023**

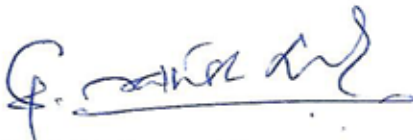
In pursuance of the provisions of Section 32(1) of the Deposit Insurance and Credit Guarantee Corporation Act, 1961, we forward herewith a signed copy each of:

- (i) the Balance Sheet and Accounts of the Corporation for the year ended March 31, 2023 together with the Auditors' Report, and
- (ii) the Report of the Board of Directors on the working of the Corporation for the year ended March 31, 2023.

Three extra copies thereof are also sent herewith.

2. Copies of the material mentioned as at (i) and (ii) above (*i.e.*, Balance-sheets, Accounts and Report on the Working of the Corporation) have been furnished to the Reserve Bank of India.
3. We may kindly be advised of the date/s on which the above documents are placed before each House of Parliament (*viz.*, the Lok Sabha and Rajya Sabha) under Section 32(2) of the Act *ibid*. The printed copies of the Annual Report of the Corporation will be sent to you in due course.

Yours faithfully,



(Sathish Kumar S)
Secretary

Encl: as above

BOARD OF DIRECTORS*

CHAIRMAN

Dr. M. D. Patra
Deputy Governor
Reserve Bank of India

Nominated by the Reserve Bank of India under Section 6 (1) (a) of the Deposit Insurance and Credit Guarantee Corporation Act, 1961.
(from March 31, 2020)

DIRECTORS

Dr. Deepak Kumar
Executive Director
Reserve Bank of India

Nominated by Reserve Bank of India under Section 6 (1) (b) of the Deposit Insurance and Credit Guarantee Corporation Act, 1961.
(from January 4, 2022)

Shri Pankaj Sharma
Joint Secretary
Ministry of Finance
Department of Financial Services
Government of India

Nominated by the Central Government under Section 6 (1) (c) of the Deposit Insurance and Credit Guarantee Corporation Act, 1961.
(from April 1, 2022)

Dr. Govinda Rajulu Chintala
Chairman
National Bank for Agriculture
and Rural Development

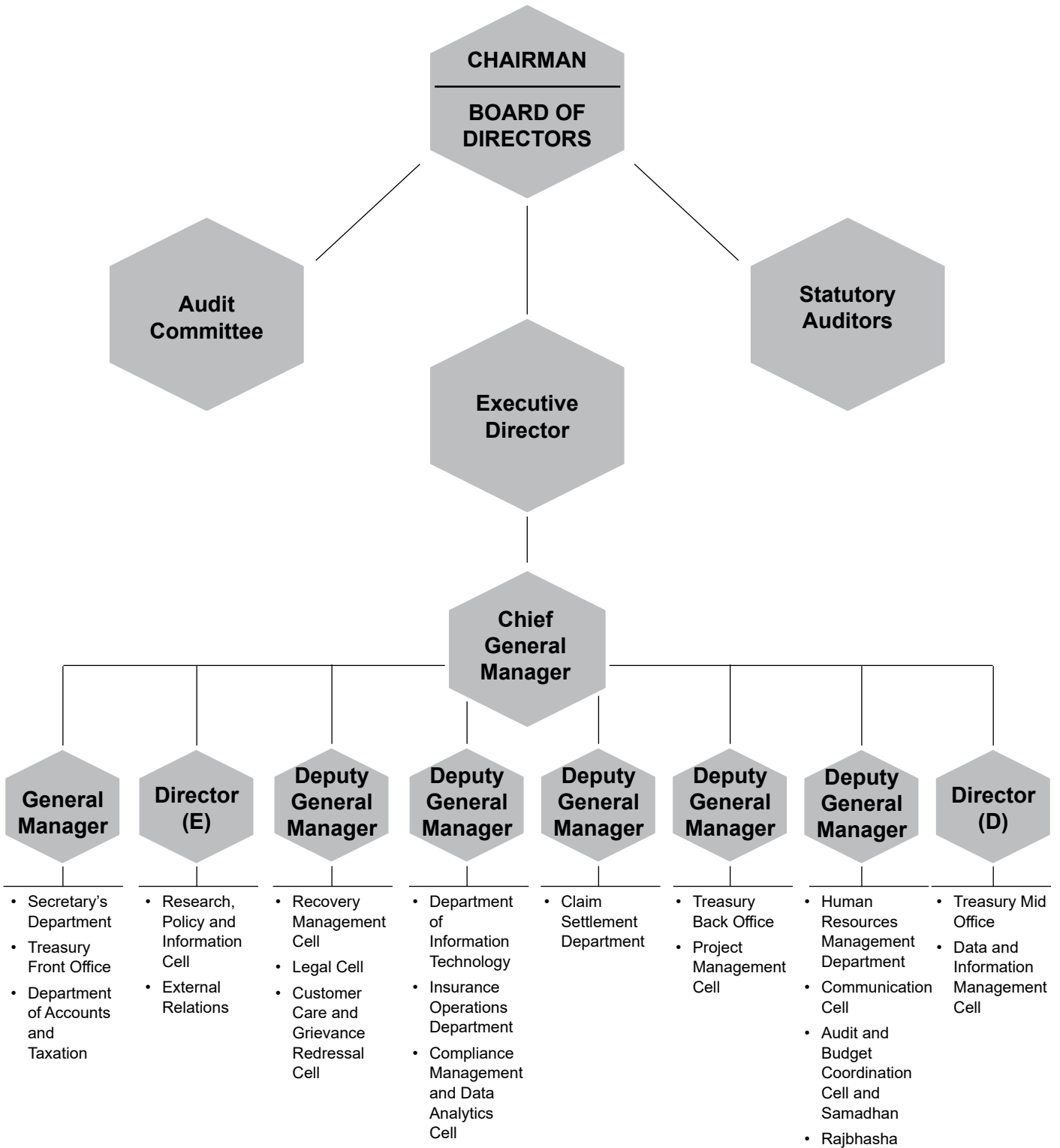
Nominated by the Central Government under Section 6 (1) (d) of the Deposit Insurance and Credit Guarantee Corporation Act, 1961.
(from July 13, 2020 to July 31, 2022)

Shri Shaji K. V.
Chairman
National Bank for Agriculture
and Rural Development

Nominated by the Central Government under Section 6 (1) (d) of the Deposit Insurance and Credit Guarantee Corporation Act, 1961.
(from February 15, 2023)

* As on July 1, 2023.

ORGANISATION STRUCTURE



CONTACT INFORMATION OF THE CORPORATION

Tel. Nos.	
022-2302 8237	Premium
022-2302 8233	Claims
022-2306 8223	RMC
022-2301 1991	RTI

HEAD OFFICE

Deposit Insurance and Credit Guarantee Corporation

Reserve Bank of India Building, 2nd Floor, Opp. Mumbai Central Railway Station,
Byculla, Mumbai – 400 008. INDIA

Chief General Manager	anupkumar@rbi.org.in	022-2302 8220	
General Manager	sathishkumar@rbi.org.in	022-2302 8226	
Director (E)	arunvishnukumar@rbi.org.in	022-2301 9792	
Deputy General Manager	rkraj Kumar@rbi.org.in	022-2302 8209	
Deputy General Manager	mysorte@rbi.org.in	022-2302 8201	
Deputy General Manager	pawanjeetkaur@rbi.org.in	022-2302 8206	
Deputy General Manager	sangita@rbi.org.in	022-2302 8205	
Deputy General Manager	cmsamuel@rbi.org.in	022-2302 1150	
Director (D)	ajoarder@rbi.org.in	022-2302 8224	

Email : dicgc@rbi.org.in
Website : www.dicgc.org.in

EXECUTIVE DIRECTOR

Dr. Deepak Kumar

CHIEF GENERAL MANAGER

Shri Anup Kumar

SECRETARY & GENERAL MANAGER

Shri S. Sathish Kumar

CENTRAL PUBLIC INFORMATION OFFICER

Shri S. Sathish Kumar

DIRECTORS

Shri N. Arun Vishnu Kumar (Dir 'E')

Dr. Avijit Joarder (Dir 'D')

DEPUTY GENERAL MANAGERS

Shri Raj Kumar

Shri Mangesh Y. Sorte

Smt Pawanjeet Kaur Rishi

Smt Sangita E.

Shri C. M. Samuel

BANKERS

RESERVE BANK OF INDIA, MUMBAI

AUDITORS

M/s. NBS & Co.,

Chartered Accountants

14/2, Western India House

Sir P.M Road, Fort

Mumbai 400 001, India

ABBREVIATIONS

AEs	:	Advanced Economies
AFS	:	Available for Sale
AID	:	All Inclusive Directions
ALM	:	Asset Liability Management
APRC	:	Asia Pacific Regional Committee
AS	:	Accounting Standards
BCBS	:	Basel Committee on Banking Supervision
CA	:	Chartered Accountant
CAAP	:	Computer Aided Audit Programme
CASBI	:	CCIL All-India Sovereign Bond Index
CCIL	:	Clearing Corporation of India Limited
CESTAT	:	Customs, Excise and Service Tax Appellate Tribunal
CGCI	:	Credit Guarantee Corporation of India Ltd.
CGF	:	Credit Guarantee Fund
CGS	:	Credit Guarantee Scheme
CIC	:	Central Information Commission
CISO	:	Chief Information Security Officer
CPs	:	Core Principles
CRCS	:	Central Registrar of Co-operative Societies
CSAA	:	Control Self-Assessment Audit
DI	:	Deposit Insurance
DIA	:	Deposit Insurance Agency
DIC	:	Deposit Insurance Corporation
DICGC	:	Deposit Insurance and Credit Guarantee Corporation
DIF	:	Deposit Insurance Fund
DIS	:	Deposit Insurance System
DR	:	Disaster Recovery
EAD	:	Exposure at Default
EC	:	Essential Criteria
ED	:	Executive Director
EKP	:	Enterprise Knowledge Portal
EMEs	:	Emerging Market Economies
ERM	:	Enterprise-wide Risk Management
FIMMDA	:	Fixed Income Money Market and Derivatives Association
FRN	:	Firm Registration Number
FY	:	Financial Year
GAAP	:	Generally Accepted Accounting Principles
GDP	:	Gross Domestic Product
GF	:	General Fund
GNPA	:	Gross Non-Performing Assets
Gol	:	Government of India
GS/G-Secs	:	Government Securities
GST	:	Goods and Services Tax
HY	:	Half Year
IADI	:	International Association of Deposit Insurers
ICAI	:	Institute of Chartered Accountants of India

ABBREVIATIONS

IDL	:	Intra-Day Liquidity
IFR	:	Investment Fluctuation Reserve
IFRS	:	International Financial Reporting Standards
IMF	:	International Monetary Fund
IRA	:	Investment Reserve Account
IT	:	Information Technology
KYC	:	Know Your Customer
LABs	:	Local Area Banks
LAR	:	Liquidity Adequacy Ratio
LCR	:	Liquidity Coverage Ratio
LGD	:	Loss Given Default
MIS	:	Management Information System
MPC	:	Monetary Policy Committee
MTM	:	Mark to Market
MVB	:	Market Value at Beginning
MVE	:	Market Value at End
NABARD	:	National Bank for Agriculture and Rural Development
NACH	:	National Automated Clearing House
NDS-OM	:	Negotiated Dealing System - Order Matching System
NNPA	:	Net Non-Performing Assets
NSO	:	National Statistical Office
OECD	:	Organization for Economic Co-operation and Development
OTC	:	Over the Counter
PBs	:	Payment Banks
PD	:	Probability of Default
PMCBL	:	Punjab and Maharashtra Co-operative Bank Limited
QCCP	:	Qualified Central Counter-Party
QR	:	Quick Response
RBI	:	Reserve Bank of India
RBIA	:	Risk Based Internal Audit
RCS	:	Registrar of Co-operative Societies
RR	:	Reserve Ratio
RRBs	:	Regional Rural Banks
RTI	:	Right to Information
SC	:	Scheduled Caste
SFBs	:	Small Finance Banks
SLGS	:	Small Loan Guarantee Scheme
SOP	:	Standard Operating Procedure
ST	:	Scheduled Tribe
TAFcUB	:	Task Force on Co-operative Urban Banks
TMO	:	Treasury Middle Office
TWR	:	Total Weighted Return
UDIN	:	Unique Document Identification Number
USA/US	:	United States of America
UTs	:	Union Territories
VaR	:	Value at Risk

2022-23 AT A GLANCE



62

Years of securing public confidence in the banking system through deposit insurance

₹21,381 CRORE

Premium collected



2026

Registered Insured Banks
(end- March 2023)

₹ 752 CRORE

Claims settled in 2022-23 (For liquidated banks as well as banks under AID)



₹ 4,103 CRORE

Interim payments made to 2,87,636 depositors of banks under All Inclusive Directions till date

₹ 1,69,602 CRORE

Deposit Insurance Fund (end- March 2023)

2.02%

Reserve Ratio



98.1%

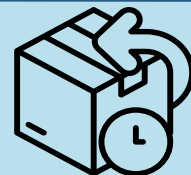
Fully protected deposit accounts

46.3%

Protected deposit amounts

₹ 883 CRORE

Recoveries from settled claims



HIGHLIGHTS - I: DEPOSIT INSURANCE AT A GLANCE

(Amount in ₹ Crore)

At year-end	2018-19	2019-20	2020-21	2021-22	2022-23
1 CAPITAL*	50	50	50	50	50
2 DEPOSIT INSURANCE					
(i) Deposit Insurance Fund	93,751 (15.13)	1,10,384 (17.74)	1,29,904 (17.68)	1,46,842 (13.04)	1,69,602 (15.50)
(ii) Insured Banks (Number in actual)	2,098	2,067	2,058	2,040	2,026
(iii) Assessable Deposits	1,20,05,100 (7.17)	1,34,88,910 (12.36)	1,49,67,770 (10.96)	1,65,49,630 (10.57)	1,81,14,550 (9.46)
(iv) Insured Deposits [@]	33,70,000 (2.89)	#36,96,100 (9.68)	76,21,251 (10.91)	81,10,431 (6.42)	83,89,470 (3.44)
(v) Total number of Insured Accounts (in crore)	217.40 (12.00)	235.00 (8.10)	252.63 (7.50)	262.19 (3.78)	300.10 (14.46)
(vi) Number of Fully Protected Accounts (in crore)	200 (12.68)	#216.10 (8.05)	247.80 (7.27)	256.67 (3.58)	294.46 (14.72)
(vii) Claims paid since inception [^]	5,118	5,199	5,763	14,278	15,031

* Under General Fund of the Corporation.

@ Deposit insurance cover increased from ₹1 lakh to ₹5 lakh with effect from February 4, 2020.

For the year 2019-20, Insured deposits and number of fully protected accounts estimated as ₹68,71,500 crore and 231 crore, respectively, for deposit insurance cover of ₹5 lakh.

[^] Includes claims of the banks placed under "All Inclusive Directions" (from 2021-22 onwards) and liquidated banks by the RBI.

Note: Data in parentheses are year-on-year percentage growth rates.

OPERATIONAL HIGHLIGHTS - II: DEPOSIT INSURANCE

(Amount in ₹ Crore)

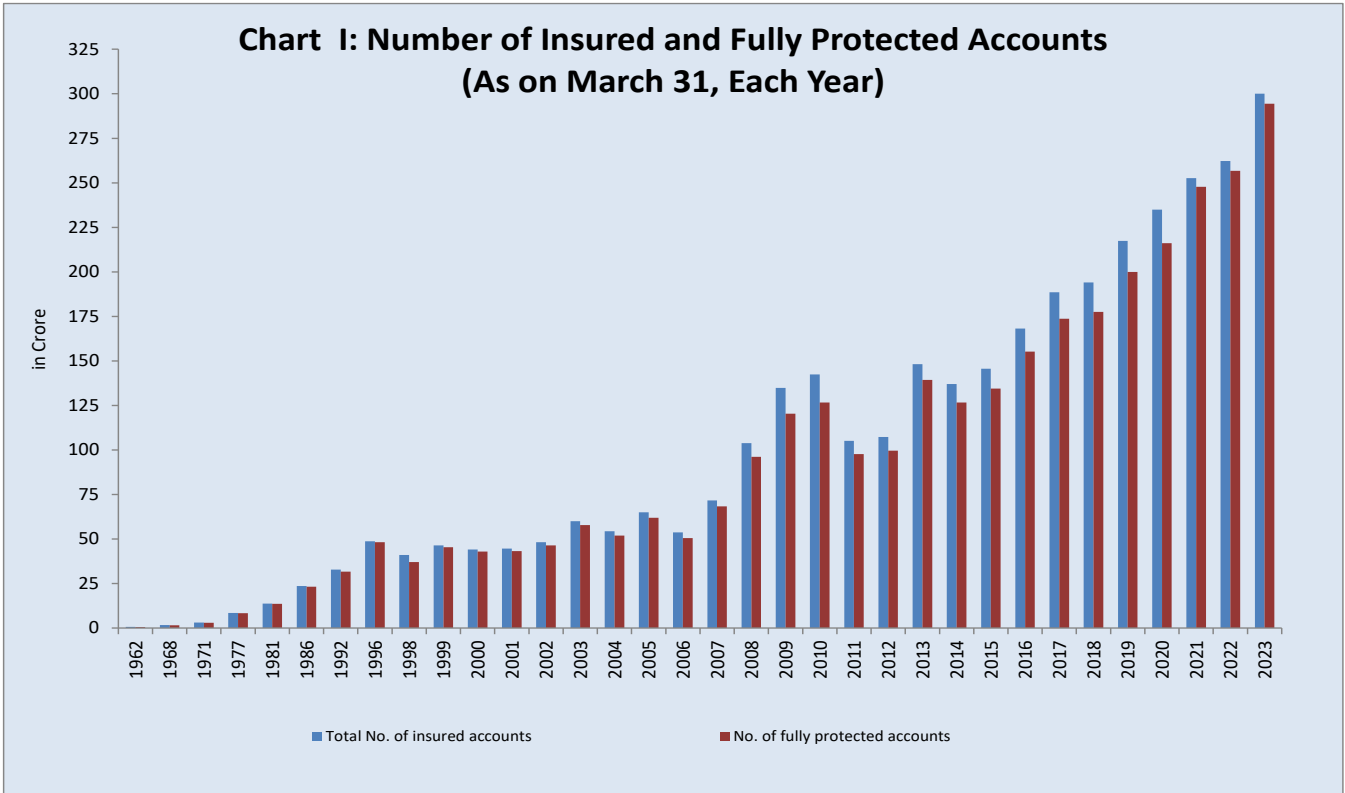
PARTICULARS	2018-19	2019-20	2020-21	2021-22	2022-23
REVENUE STATEMENT					
Premium Income	12,043 (8.22)	13,234 (9.89)	17,517 (32.36)	19,491 (11.27)	21,381 (9.70)
Investment Income	7,245 (12.89)	8,532 (17.76)	9,650 (13.10)	10,496 (8.77)	11,908 (13.45)
Net Claims	-152	54	993	8,121	730
Revenue Surplus Before Tax	19,147	15,486	26,555	20,566	33,391
Revenue Surplus After Tax	11,931	10,302	19,332	15,239	24,559
BALANCE SHEET					
Fund Balance (Actuarial)	5,756	12,087	12,275	13,974	12,174
Fund Surplus	87,995	98,297	1,17,629	1,32,868	1,57,427
Outstanding Liability for Claims	Nil	Nil	Nil	Nil	Nil
PERFORMANCE METRICS					
1A. Average No. of days between receipt of a claim and claim settlement for liquidated banks [@]	11	11	7	3	-
1B. No. of days between receipt of a claim and claim settlement for AID banks [#]				45	45
2. Average No. of days between de-registration of a bank and claim settlement (First claims) [@]	1,425	508	500	184	-
3. Operating Costs as percentage of total premium income (of which: Employee cost as percentage of total premium income)	0.30 0.12	0.29 0.10	0.20 0.10	0.14 0.06	0.16 0.08

[@] Actual number of average days has been arrived at by weighing the number of days with the corresponding sanctioned amount involved.

[#] DICGC has not settled main claim for banks under liquidation during FY 2022-23. However, with respect to banks under All-Inclusive Directions (AID), the department has adhered to the statutory timeline between the date on which DICGC becomes liable to pay and the date of actual payment, i.e., not exceeding 90 days.

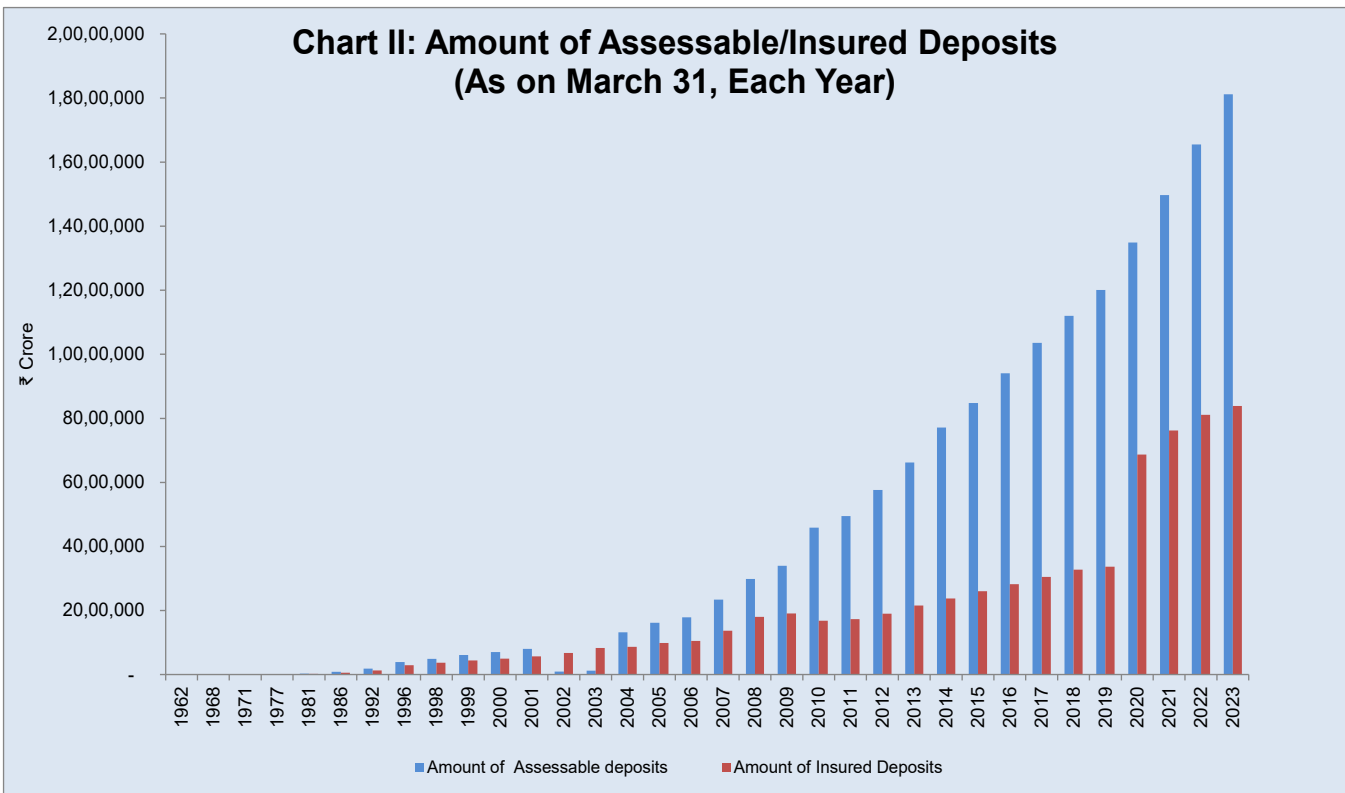
Note: Data in parentheses are year-on-year percentage growth rates.

HIGHLIGHTS - III

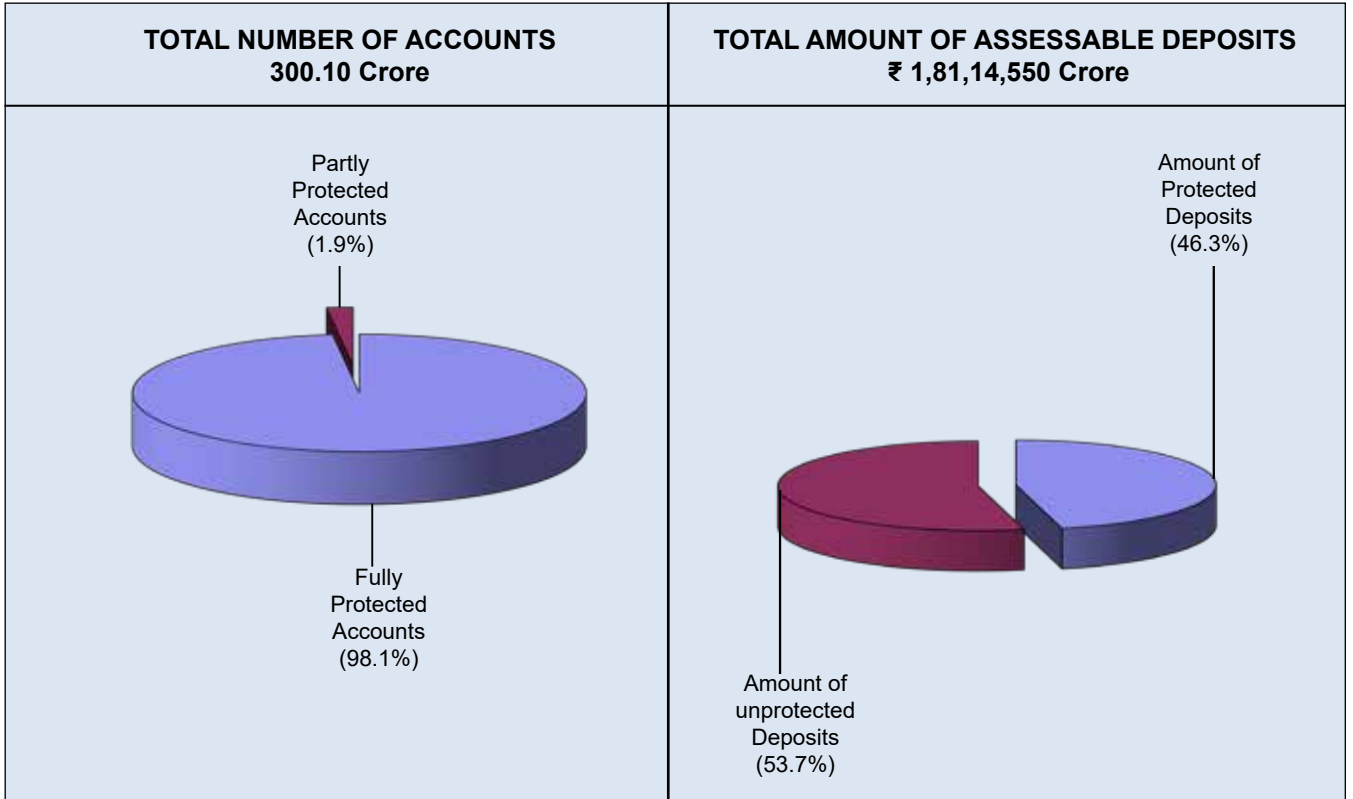


Note: Data for 2010-11 are as per new reporting format.

HIGHLIGHTS - IV



Note: Data since 2009-10 are as per new reporting format.

HIGHLIGHTS - V**CHART III: EXTENT OF INSURANCE COVERAGE
TO DEPOSIT OF INSURED BANKS****(MARCH 31, 2023)**

- Note: 1. Data as per new reporting format.
2. Figures relate to ₹ 5 lakh deposit insurance cover at ₹ 83,89,470 Crore

1.

AN OVERVIEW OF DICGC

1. INTRODUCTION

The functions of the Deposit Insurance and Credit Guarantee Corporation (DICGC) are governed by the provisions of the DICGC Act, 1961 and the DICGC General Regulations, 1961 framed by the Reserve Bank of India (RBI) in exercise of the powers conferred by Section 50(3) of the said Act. As no credit institution was participating in any of the credit guarantee scheme administered by the Corporation, the scheme was discontinued in April 2003 and deposit insurance remains the principal function of the Corporation.

2. HISTORY

The concept of insuring deposits kept with banks received attention for the first time in the year 1948 after the banking crisis in Bengal. The issue came up for reconsideration in the year 1949 but was held in abeyance till RBI set up adequate arrangements for inspection of banks. Subsequently, in the year 1950, the Rural Banking Enquiry Committee supported the concept. Renewed attention to the issue of deposit insurance was given by RBI and the Government of India after the failure of the Palai Central Bank Ltd. and the Laxmi Bank Ltd. in 1960. Accordingly, the Deposit Insurance Act, 1961 came into force on January 1, 1962.

Deposit Insurance Scheme was initially extended to all commercial banks. This included the State Bank of India and its subsidiaries, other commercial banks and the branches of foreign banks operating in India. With the enactment of the Deposit Insurance Corporation (Amendment) Act, 1968, deposit insurance was further extended to co-operative banks. Accordingly, the Corporation was required to register "eligible cooperative banks" [see para 3 (ii)] as insured banks under the provisions of Section 13A of the DICGC Act.

The Government of India, in consultation with RBI, introduced a credit guarantee scheme in July 1960. The Reserve Bank was entrusted with the administration of the scheme, under Section 17(11A) (a) of RBI Act, 1934 and was designated as the Credit Guarantee Organization to guarantee the advances granted by banks and other credit institutions to small scale industries. The Reserve Bank operated the scheme up to March 31, 1981.

The Reserve Bank had promoted a public limited company on January 14, 1971, named as the Credit Guarantee Corporation of India Ltd. (CGCI). The credit guarantee schemes introduced by the CGCI aimed to encourage the commercial banks to cater to the credit needs of the weaker sections of the society engaged in non-industrial activities, by providing guarantee cover to the loans and advances granted by the credit institutions to small and needy borrowers covered under the priority sector as defined by RBI.

With a view to integrate the functions of deposit insurance and credit guarantee, the two organizations, viz. the Deposit Insurance Corporation (DIC) and the CGCI, were merged and the DICGC came into existence on July 15, 1978. The Deposit Insurance Act, 1961 was amended and renamed as 'The Deposit Insurance and Credit Guarantee Corporation Act, 1961'.

With effect from April 1, 1981, the Corporation extended its guarantee support to credit granted to small scale industries, after the cancellation of the Government of India's credit guarantee scheme. With effect from April 1, 1989, guarantee cover was extended to the entire priority sector advances. However, the credit guarantee scheme was discontinued with effect from April 2003.

3. INSTITUTIONAL COVERAGE

All commercial banks, including the branches of foreign banks in India, Local Area Banks (LABs), Regional Rural Banks (RRBs), Small Finance Banks (SFBs) and Payment Banks are covered under the Deposit Insurance Scheme.

Furthermore, all eligible co-operative banks as defined under Section 2(gg) of the DICGC Act are covered under the Deposit Insurance Scheme. These include all State, District Central and Primary Co-operative Banks functioning in India. The States/Union Territories (UTs) have amended their Co-operative Societies Act, as required under the DICGC Act. This amendment empowers RBI to supersede the committee of management of a co-operative bank and requires that any action for winding up, amalgamation or reconstruction of a co-operative bank may be made only with the previous sanction in writing of RBI. At present, all co-operative banks are covered under the Scheme. Three UTs, namely, *Lakshadweep, Daman & Diu and Dadra & Nagar Haveli and Ladakh* do not have any insured/registered co-operative banks.

4. REGISTRATION OF BANKS

In terms of Section 11 of the DICGC Act all new commercial banks are required to be registered by the Corporation soon after they are granted licence by RBI under Section 22 of the Banking Regulation Act, 1949. In terms of Section 11A of the DICGC Act, all RRBs are required to be registered with the Corporation within 30 days from the date of their establishment.

All co-operative banks are required to be registered with the Corporation soon after it is granted a licence by RBI. In terms of section 13A of the DICGC Act, the Corporation shall register a primary credit society on conversion into a primary co-operative bank within three months of its having made an application for a licence.

A co-operative bank which has come into existence after the commencement of the

Deposit Insurance Corporation (Amendment) Act, 1968, as a result of the division of any other co-operative society carrying on business as a co-operative bank, or the amalgamation of two or more co-operative societies carrying on banking business at the commencement of the Banking Laws (Application to Co-operative Societies) Act, 1965 or at any time thereafter, is to be registered within three months of its making an application for licence. However, a co-operative bank will not be registered if it has been informed by RBI that a licence cannot be granted to it.

In terms of Section 14 of the DICGC Act, after the Corporation registers a bank as an insured bank, it is required to send, within 30 days of such registration, intimation to the bank to that effect. The letter of intimation, apart from the advice of registration and registration number, gives details of the requirements to be complied with by the bank, *viz.*, the rate of premium payable to the Corporation, the manner in which the premium is to be paid, the returns to be furnished to the Corporation, *etc.*

5. INSURANCE COVERAGE

Under the provisions of Section 16(1) of the DICGC Act, the insurance cover was originally limited to ₹1,500/- only per depositor for deposits held in “the same capacity and in the same right” at all the branches of a bank taken together. However, the Act empowers the Corporation to raise this limit with the prior approval of the Central Government. Accordingly, the insurance limit was enhanced from time to time (Table 1).

Table 1: Deposit Insurance Coverage

Effective from	Insurance Cover (up to)
February 4, 2020	₹5,00,000/-
May 1, 1993	₹1,00,000/-
July 1, 1980	₹30,000/-
January 1, 1976	₹20,000/-
April 1, 1970	₹10,000/-
January 1, 1968	₹5,000/-
January 1, 1962	₹1,500/-

6. TYPES OF DEPOSIT COVERED

The Corporation insures all bank deposits except (i) deposits of foreign governments; (ii) deposits of Central/State Governments; (iii) inter-bank deposits; (iv) deposits received outside India, and (v) deposits specifically exempted by the Corporation with the prior approval of RBI.

7. INSURANCE PREMIUM

The Corporation collects insurance premium from insured banks for administration of the deposit insurance system (Table 2). The premium to be paid by the insured banks are computed based on their assessable deposits. Insured banks pay advance insurance premium to the Corporation semi-annually within two months from the start of each financial half year, based on their deposits at the end of previous half year. The premium paid by the insured banks to the Corporation is required to be borne by the banks themselves and not passed on to the depositors.

For delay in payment of premium, an insured bank is liable to pay interest at the rate of 8 per cent above the Bank Rate on the default amount from the beginning of the relevant half-year till the date of payment. As per the amendment to Section 15 (1) of the DICGC Act made in August 2021, DICGC may raise the limit of 15 paise per annum per ₹100 of deposits on insurance premium with the prior approval of RBI, considering its financial position and the interests of the banking sector in the country as a whole.

**Table 2: Insurance Premium Rates
(As per cent of deposit of ₹100)**

Date from	Premium (in ₹)
April 1, 2020	0.12
April 1, 2005	0.10
April 1, 2004	0.08
July 1, 1993	0.05
October 1, 1971	0.04
January 1, 1962	0.05

8. CANCELLATION OF REGISTRATION

Under Section 15A of the DICGC Act, the Corporation has the power to cancel the registration of an insured bank if it fails to pay the premium for three consecutive half-year periods. However, the Corporation may restore the registration, if the deregistered bank makes a request, paying all the dues in default including interest, provided the bank is otherwise eligible to be registered as an insured bank.

Registration of an insured bank shall be cancelled under any of the following circumstances: (i) if the bank is prohibited from accepting fresh deposits; (ii) its licence is cancelled, or a licence is refused to it by RBI; (iii) it is wound up either voluntarily or compulsorily or it ceases to be a banking company or a co-operative bank as per Section 36A(2) of the Banking Regulation Act, 1949; and (iv) it has transferred all its deposit liabilities to any other institution or it is amalgamated with any other bank or a scheme of compromise or arrangement or of reconstruction has been sanctioned by a competent authority where the said scheme does not permit acceptance of fresh deposits. In the case of a co-operative bank, its registration gets cancelled if it ceases to be an eligible co-operative bank.

In the event of cancellation of registration of a bank, for reason other than default in payment of premium, deposits of the bank as on the date of cancellation remain covered by the insurance.

9. SUPERVISION AND INSPECTION OF INSURED BANKS

In terms of Section 35 of the DICGC Act, the Corporation is empowered to have free access to the records of an insured bank and to call for copies of such records. Further, in terms of Section 36 of the Act *ibid*, on Corporation's request, RBI is required to undertake / cause the inspection / investigation of an insured bank.

10. SETTLEMENT OF CLAIMS

In the event of the winding up or liquidation of an insured bank, every depositor is entitled to payment of an amount equal to the deposits held at all the branches of that bank put together 'in the same capacity and in the same right', as on the date of cancellation of registration (*i.e.*, the date of cancellation of licence or order for winding up or liquidation) subject to set-off of his/her dues to the bank, if any [Section 16(1) read with 16(3) of the DICGC Act]. However, payment to each depositor is subject to the limit of insurance coverage fixed from time to time.

When a scheme of compromise or arrangement or re-construction or amalgamation is sanctioned for a bank by the competent authority, the Corporation pays to the depositors up to the deposit insurance limit in force at that time in consonance with the terms and conditions of the scheme. In such cases too, the amount payable to a depositor is determined in respect of all his deposits held in the 'same capacity and in the same right' at all the branches of that bank put together, subject to the set-off of his dues to the bank, if any, [Section 16(2) and (3) of the DICGC Act].

Under the provisions of Section 17(1) of the DICGC Act, the liquidator of an insured bank which has been wound up or taken into liquidation, has to submit to the Corporation a list showing separately the amount of the deposit in respect of each depositor and the amount of set off, in such a manner as may be specified by the Corporation and certified to be correct by the liquidator, within three months of his assuming charge as liquidator (Annex Chart 1).

In the case of bank/s under scheme of amalgamation/reconstruction, *etc.* sanctioned by competent authority, a similar list has to be submitted by the Chief Executive Officer of the concerned transferee bank or insured bank, as

the case may be, within three months from the date on which the scheme of amalgamation / reconstruction, *etc.* comes into effect [Section 18(1) of the DICGC Act].

The Corporation is required to pay the amount due under the provisions of the DICGC Act in respect of the deposits of each depositor within two months from the date of receipt of such lists prepared in accordance with guidelines issued by the Corporation. The Corporation gets the list certified by a firm of Chartered Accountants (CAs) which conducts on-site verification.

The Corporation generally makes payment of the eligible claim amount by crediting the account opened with the Agency Bank, in the name of the Liquidator of the liquidated bank/Chief Executive Officer of the transferee/ insured bank for disbursement to the depositors. However, the amounts payable to the untraceable depositors are not released till such time as the Liquidator/ Chief Executive Officer is able to furnish all the requisite particulars to the Corporation.

Further, as per Section 18A of the amendment to the DICGC Act made in August 2021, the Corporation is liable to make payment to depositors up to the deposit insurance limit, of the banks placed under All Inclusive Direction (AID) by RBI (Annex Chart 2). The payment is to be completed within 90 days from the date of imposition of AID by RBI. The insured bank has to submit the depositor list within 45 days of imposition of AID, and the Corporation has to get the genuineness and authenticity of the claims verified within 30 days and pay the depositors who have submitted willingness within the next 15 days. In case RBI finds it expedient to bring a scheme of amalgamation/ compromise or arrangement/reconstruction, the liability of the Corporation will get extended by a further period of 90 days. The procedure for claims payment under AID is as per Regulation 21A of the DICGC General Regulations.

11. RECOVERY OF SETTLED CLAIMS

In terms of Section 21(2) of the DICGC Act read with Regulation 22 of the DICGC General Regulations, the liquidator or the insured bank or the transferee bank, as the case may be, is required to repay to the Corporation the amount disbursed by the Corporation out of the amounts realised from the assets of the failed bank and other amounts in hand after netting off the expenses incurred. As per Section 21 (3) of the DICGC Act, the Corporation, with the approval of its Board, may defer or vary the repayment period for the insured bank to discharge its liability to the DICGC. Presently, banks under AID to whom pay-out has been made under Section 18A of the DICGC Act are required to repay in 5 yearly instalments. Under Section 21 (4) of the Act *ibid*, DICGC can charge a penal interest of upto 2 per cent per annum over the repo rate in case of delay in repayment of settled claims.

12. FUNDS, ACCOUNTS AND TAXATION

The Corporation maintains three distinct Funds, viz., (i) Deposit Insurance Fund (DIF); (ii) Credit Guarantee Fund (CGF), and (iii) General Fund (GF). The first two Funds are created by accumulating the insurance premia and guarantee fees, respectively, and are applied for settlement of respective claims. The authorised capital of the Corporation is ₹ 50 crore which

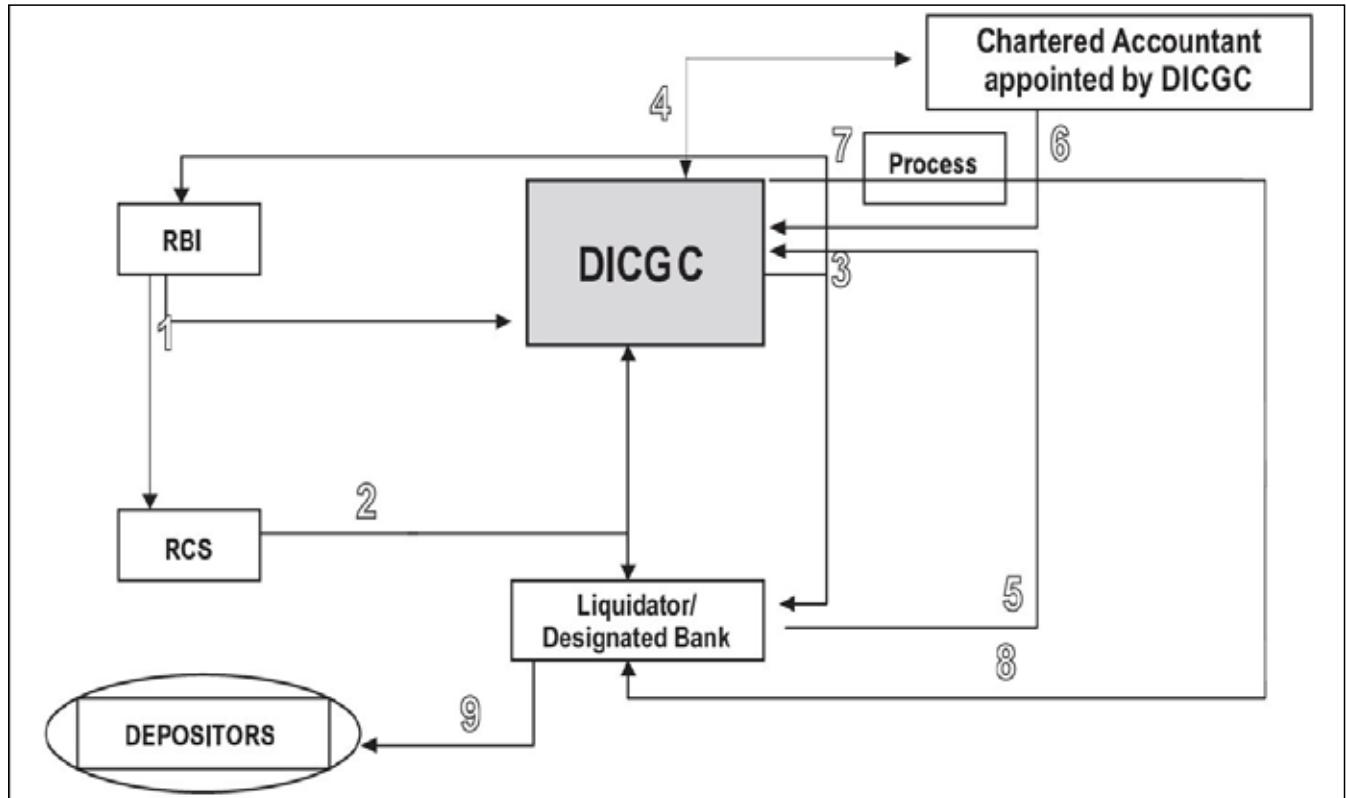
is entirely subscribed to by RBI. The General Fund is utilised for meeting the establishment and administrative expenses of the Corporation. The surplus balances in all the three Funds are invested in Central Government securities. Further, the DICGC Act permits transfer of funds between the three funds.

The books of accounts of the Corporation are closed as on March 31 every year. The affairs of the Corporation are audited by an Auditor appointed by its Board of Directors with the prior approval of RBI. The audited annual accounts together with Auditor's report and a report on the working of the Corporation are required to be submitted to RBI within three months from the date on which its accounts are balanced and closed. Copies of these documents are also submitted to the Central Government, which are laid before each House of the Parliament. The Corporation follows accrual system of accounting while it is on receipt basis in the case of repayment of settled claims.

The Corporation has been paying income tax since the financial year 1987-88. The Corporation is assessed for Income Tax as a 'company' as defined under the Income Tax Act, 1961. The Corporation is subject to service tax on premium income from October 1, 2011 and is liable to Goods and Services Tax with effect from July 1, 2017.

Annex Chart 1

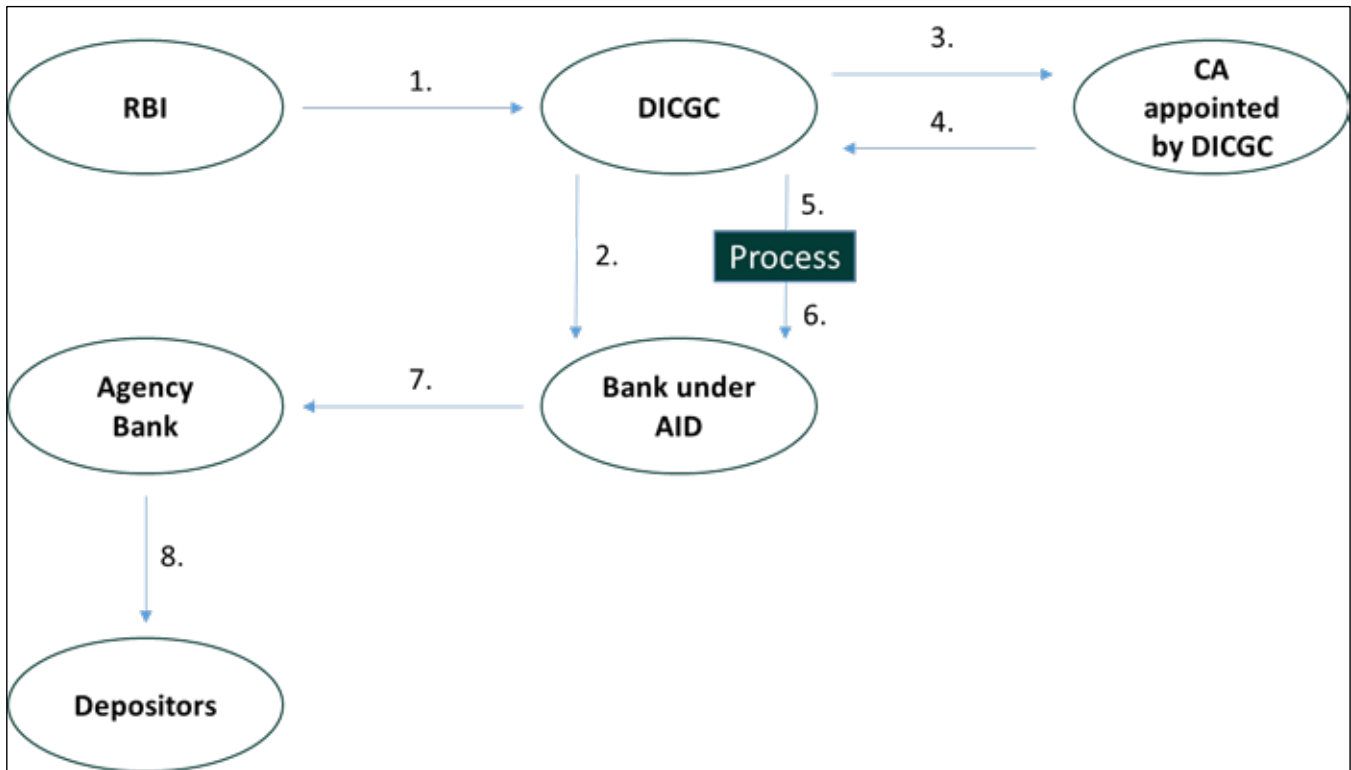
Chart 1 : Typical Process of Settlement of Claims for Co-operative Banks of India



1. The Reserve Bank cancels the licence/rejects the application for licence of a bank and recommends its liquidation to the concerned Registrar of Co-operative Societies (RCS)/Central Registrar of Co-operative Societies (CRCS) with endorsement to the DICGC. DICGC also writes to the concerned RCS/CRCS for early appointment of liquidator.
2. RCS/CRCS appoints a liquidator for the liquidated bank with endorsement to the DICGC.
3. DICGC cancels the registration of the bank as an insured bank and issues guidelines to the liquidator for submission of claims within 3 months of assuming charge.
4. The verification of claim list, including compliance with Know Your Customer (KYC) and books of accounts of the liquidated bank is conducted by the chartered accountant (CA) firms empanelled with the Corporation. The DICGC conducts a familiarisation session for CAs for onsite verification of claim list and books of records of the bank.
5. The liquidator prepares claim list in two parts (Part-A for traceable/KYC compliant and Part-B for untraceable/KYC non-compliant) and submits the list to the DICGC in softcopy form for payment to the depositors.
6. CAs are required to furnish their observations and findings on the claim list and records of the liquidated bank incidental to the preparation of the claim list.
7. The Part-A of main claim is processed, and a to-be paid list is arrived for payment of claims to eligible insured depositors. As regards Part-B list, as and when depositors are traced/KYC is complied with, the liquidators submit the claims from Part-B list for payment as supplementary claim.
8. The main claim settlement amount as applicable is released to the designated bank account in the name of the liquidator concerned, maintained with agency bank.
9. The designated bank releases the payment to the depositors through National Electronic Funds Transfer/Demand Draft/NACH, based on alternate bank account details of depositors as furnished by the liquidator concerned.

Annex Chart 2

**Chart 2: Claim Settlement Process - Banks under All Inclusive Directions
(Under provisions of Banking Regulation Act, 1949)**



1. The Reserve Bank imposes All Inclusive Directions (AID) under Section 35A of Banking Regulation Act, 1949 and advises bank placed under AID of the restrictions imposed on deposit/withdrawals with an endorsement to the DICGC, where the bank is registered for deposit insurance.
2. DICGC issues Guidelines to the concerned bank placed under AID for preparation of comprehensive depositor list with the outstanding deposits of each depositor (in same capacity and in same right after setting off all loans/advances) as on the date on which the direction was imposed.
3. In terms of Section 18A of the DICGC Act, banks placed under AID are required to furnish to the Corporation, entire depositor list within 45 days of imposition of AID on the bank. The list should include Part A list *i.e.*, the list of depositors whose claim willingness forms have been received till the 45th day and Part B list, *i.e.*, the list of depositors whose claim willingness forms have not been received by the 45th day. The depositors for which willingness forms have been received within stipulated period are considered for payment on 90th day.
4. The verification of claim list, including compliance with Know Your Customer (KYC) and books of accounts of the liquidated bank is conducted by the chartered accountant (CA) firms empanelled with the Corporation. The CA firm is required to do on-site verification of claim as per the Guidelines issued by the DICGC and Act provisions.
5. The CAs furnish their observations and findings on the claim list and any such record of the bank incidental to settlement of deposit insurance claim.
6. On receipt of CA report, the claim is processed by the DICGC and a to-be-paid list is arrived at for payment of eligible claims to depositors who have expressed their willingness.
7. The DICGC then shares the to-be-paid list with the bank under AID with an advice to furnish details of alternate account of depositors for disbursement of claim through an Agency Bank.
8. The bank placed under AID then shares the duly filled-in list to the Agency Bank under advice to the DICGC.
9. The claims are then disbursed by the Agency Bank to the depositors as per the to-be-paid list and mandate furnished by the bank under AID.

2.

MANAGEMENT DISCUSSION AND ANALYSIS

1. Introduction

Global economy has been facing uncertain times since 2022 due to geopolitical tensions causing disruption in global supply chains and increased volatility in the financial markets. Global economic growth is estimated at 3.5 per cent in 2022¹ and lower in the range of 2.1 to 3.0 per cent in 2023² with the decline led by advanced economies. The contribution from the emerging market and developing economies in the global growth outlook is significant with 4 per cent growth predicted in 2022 and 2023. The IMF's World Economic Outlook, October 2023 indicates that from "multidecade highs" in 2022, global headline inflation has shown signs of moderation in 2023. However, core inflation remains sticky. The past two years of high inflation could push up inflation expectations, in turn, driving up inflation in the future. The Report suggests that improvements in monetary policy frameworks, including communication strategies, can help to better inform agents' expectations and to bring inflation back to their targets. The pursuit of anti-inflationary monetary policy by central banks may have amplified banking risks through the rapid rise in interest rates with resultant adverse impact on the health of banking institutions, especially those which are highly leveraged, dependent on bulk deposits or have inherent asset liability mismatches in their balance sheets.

The tighter monetary and financial conditions posed risks to a few banks in the US and Europe in March 2023. The International Monetary Fund (IMF) in its Global Financial Stability Report, April 2023, has *inter alia* stated that the failures of

Silicon Valley Bank and Signature Bank of New York and the loss of confidence in Credit Suisse are powerful reminders of the challenges posed by the interaction between tighter monetary and financial conditions and the build-up of vulnerabilities since the global financial crisis. Furthermore, the impact of tighter monetary and financial conditions could be amplified because of various factors, including financial leverage as well as mismatches in the liquidity of asset and liability. The role of deposit insurance as a safety-net provider has been reinforced in view of such vulnerabilities coming to the fore. Going forward, policy rate action is expected to take different trajectories in 2023. Some central banks have moderated the size of rate hikes, some have paused and still others have adopted a 'data dependent approach' based on the arrival of new data.

The Indian economy remains resilient supported by strong macroeconomic fundamentals. The growth in real Gross Domestic Product (GDP) is estimated at 7.2 per cent during 2022-23³ and projected to be 6.5 per cent in 2023-24⁴. Real GDP growth was robust at 7.8 per cent during Q1 (April-June) of 2023-24⁵ and is projected at 6.5 per cent in Q2; 6.0 per cent in Q3; and 5.7 per cent in Q4. The heightened inflation levels in July and August 2023 were largely driven by food price pressures. Core inflation softened to 4.9 per cent during July-August 2023. Headline inflation in India is gradually moderating and projected to be 5.4 per cent in 2023-24 (with Q2 at 6.4 per cent, Q3 at 5.6 per cent and Q4 at 5.2 per cent). The risks are evenly balanced⁶.

1. International Monetary Fund's (IMF) 'World Economic Outlook Update', July 2023.
2. IMF, World Bank and OECD.
3. National Statistical Office's (NSO) Press Note dated May 31, 2023.
4. Monetary Policy Committee (MPC)'s Resolution on October 6, 2023.
5. NSO's Press Note dated August 31, 2023.
6. Monetary Policy Committee (MPC)'s Resolution on October 6, 2023.

Scheduled commercial banks remained well-capitalised in March 2023 and increased their return on assets and return on equity. Their gross non-performing assets (GNPA) ratio continued its downward trend and fell to a 10-year low of 3.9 per cent in March 2023 and the net non-performing assets (NNPA) ratio declined to 1.0 per cent. The May 2023 Systemic Risk Survey of the Reserve Bank of India (RBI) showed that risks across most categories that contribute to domestic systemic risk have receded.⁷

The remainder of this Chapter is structured as follows. The next section briefly presents the major policy and strategic initiatives adopted by the Management of DICGC (the Corporation) during the financial year 2022-23 (April-March) and an outline for the future. Section 3 outlines the risk management practices of the Corporation, and Section 4 discusses the Indian experience in achieving the target size of Deposit Insurance Fund. Section 5 presents concluding observations.

2. Management Policy and Strategy

During 2022-23, the Management of the Corporation (the Board of Directors) continued with its policy decisions aligned with the Corporation's Mission and Vision. The Corporation embarked on a strategy to make its performance more effective and efficient to fulfil its mandate as one of the important financial safety-net providers. The focus of the Corporation has been on the following key objectives: (a) to calibrate investment strategy and strengthen risk management practices, especially during adverse market conditions; (b) to benchmark practices with best international practices; (c) to strengthen communication strategy and outreach; (d) to achieve total digital transformation of the Corporation; (e) to enable closer interaction with stakeholders; and (f) to enhance data analytics. These measures are expected to help meet public expectations and challenges going forward. The measures taken and strategies adopted that will

shape the Corporation's role in the future are summarised below.

2.1 Investment and Risk Management Strategy

The Corporation's treasury undertook transactions in specific segments of the Government Securities (G-Sec) market to deploy funds. This ensured availability of adequate funds to meet pay-out obligations of the Corporation, including claims payments and statutory taxation dues. Such transactions included deals done in the primary and secondary G-Sec market, and in the market reverse repo segment for liquidity management purposes. The investment strategy simultaneously focussed on maintaining the liquidity profile of the portfolio while reducing interest rate risks arising from adverse yield movements.

Interest rate risk had increased considerably with the rate hikes initiated in India. With the policy rate hike of 250 basis points (bps) since May 2022, yields in Indian G-Sec markets had increased over the course of the year leading to an adverse Mark-to-Market (MTM) impact on the value of DICGC's investment portfolio. Consequently, the Corporation adopted the strategy of deploying funds in lower tenure securities with maximum maturity up to 14 years to minimise the adverse MTM impact. The extant investment strategy included reducing the modified duration of the portfolio and maintaining it at lower levels. As signs emerged of possible peaking of interest rate cycle, relatively longer tenor securities were preferred while also considering liquidity aspects. In addition, deployment of funds was primarily undertaken in liquid securities which would enable the Corporation to raise funds, if required, relatively easily through sale of such securities, thereby reducing liquidity risks for the portfolio. Finally, investment in Treasury Bills were made to meet scheduled tax payment obligations, thus obviating the need to sell dated securities, especially if market conditions are adverse.

7. Reserve Bank of India (2023), "Financial Stability Report", June 2023.

With multi-fold increase in the portfolio size and complexity of treasury operations, management felt the need to undertake a comprehensive review of treasury operations to make it more robust and efficient in meeting the emerging needs of the Corporation. Accordingly, a Committee on Risk Management for DICGC Treasury was set-up with experts from RBI and DICGC to deliberate on several aspects of treasury operations, including management of liquidity and interest rate risks, physical infrastructure for dealing operations, MIS requirements and risk management practices. The Committee has submitted its report. Its recommendations would be examined to improve the robustness of treasury operations and facilitate increased efficiency and prudent management of funds of the Corporation.

The Treasury Mid-Office (TMO) of the Corporation continued to monitor the risk parameters of Treasury operations. The metrics monitored included liquidity and market risk, concentration ratios, Value-at-Risk (VaR), stressed VaR, and Liquidity Adequacy Ratio (LAR). Further, VaR methodology was back tested. Going forward, the TMO would conduct stress testing of DICGC portfolio (sensitivity and scenario analysis) to arrive at yield changes and consequent impact on DICGC portfolio. The risk management practices followed by the Corporation are discussed in detail in Section 3.

2.2 Business Process Re-engineering

In order to improve overall efficiency and effectiveness of systems whilst aligning with international best practices, DICGC has initiated the process of complete digital transformation of its operations. This business process re-engineering is being undertaken by focusing

on five major blocks – Data Management, Process Optimization, Business Analytics, Public Awareness and Cyber Security preparedness. Usage of best-in-class market technologies and security practices, straight through processing without manual intervention and seamless integration of various modules have been envisaged. Use of Application Programming Interfaces (APIs), workflow automation, artificial intelligence, robotic process automation, business intelligence tools, amongst others in the business process re-engineering shall improve efficiency of the Corporation and help in meeting public expectations.

2.3 Benchmarking with International Best Practices on Deposit Insurance

The International Association of Deposit Insurers (IADI)⁸ and the Basel Committee on Banking Supervision (BCBS) had formulated eighteen Core Principles for Effective Deposit Insurance Systems in June 2009. Subsequently, IADI and BCBS framed a Compliance Assessment Methodology for the Core Principles (CPs) in December 2010. The Core Principles were reviewed in 2013 pursuant to which the number of CPs were brought down to 16 in November 2014⁹. The Corporation undertook an internal assessment on compliance with IADI Core Principles and has embarked on an action plan to align the processes of DICGC with the CPs. The Corporation has initiated measures to align with CP-3 on Governance, CP-4 on Relationships with other Safety-Net Participants and CP-10 on Public Awareness.

2.4 Communication Policy

In line with measures outlined in IADI CPs on Public Awareness, the Board was of the view

8. The IADI was incorporated in Basel, Switzerland on May 06, 2002 with a mission to share deposit insurance expertise with the world. Currently, IADI has 95 Members, 12 Associates and 17 Partners (as accessed from IADI's website on August 01, 2023) and is one of the key global standard-setting bodies, actively collaborating with international financial institutions, such as the Bank for International Settlements (BIS), the International Monetary Fund (IMF) and the World Bank (WB). IADI has achieved many notable milestones which includes, *inter alia*, establishing the sixteen IADI Core Principles (CPs) for Effective Deposit Insurance Systems in 2014 along with the Essential Criteria (EC).

that the Corporation should have a communication policy to enhance public confidence in the banking system, which has since been framed. A Technical Advisory Committee has been constituted with members from RBI, DICGC and outside experts to formalise and steer a communication strategy for the Corporation. The Corporation has appointed a nodal officer for implementation of its communication policy and commenced plans to conduct a survey to assess the level of depositors' awareness. During 2022-23, the Corporation initiated the use of a local messaging app for depositors' awareness on deposit insurance, including in areas where banks have been placed under 'All Inclusive Directions' (AID) of the RBI or licences have been cancelled for availing claims from DICGC. These messages on deposit insurance are displayed in regional languages using local communication mediums to maximise public outreach. The Corporation is in the process of formulating policy and Standard Operating Procedure (SOP) to use other social media channels in phases for wider coverage and reaching out to the public. In a major step, effective from September 1, 2023, all the insured banks have been advised to display the DICGC logo and QR Code prominently on their web page, for focussed dissemination of information on deposit insurance. This will help in building confidence amongst depositors that the bank is registered with DICGC for protection of their deposits as per the extant guidelines.

2.5 Information Security Policy

During the year, the management reviewed the Information Security (IS) Policy of DICGC framed in 2021. As the security of data received from insured banks in the form of Deposit Insurance (DI) Returns and other returns is of paramount importance, roles and responsibilities of the Chief Information Security Officer (CISO) of DICGC have been clearly defined in the IS Policy.

CISO Office has been made functional under the supervision of a senior officer of the Corporation.

2.6 Data Analytics

During 2022-23, the Corporation had set up a Data Analytics Cell to validate the computation of assessable deposits by banks and obviate errors in payment of premium. These data set will be integrated with data received from RBI based on statutory returns and audited balance sheets of banks for research and modelling the risk profile of banks. Going forward, data analytics may be utilized for analysing the historical and projected trends of insured banks' premium payments; for devising a holistic fund performance index, based on consolidated inflows and outflows of the Corporation; and shall be used to identify and address potential risks at DICGC.

3. Risk Management Practices at DICGC

DICGC is an integral part of the financial safety-net in India and functions as per provisions of the DICGC Act, 1961¹⁰. The DICGC provides deposit insurance up to ₹500,000 with effect from February 4, 2020 to eligible depositors for their deposits held "in the same right and same capacity" in case of (a) liquidated banks, (b) banks where restrictions are placed under the Banking Regulation Act, 1949 on withdrawal of deposits (e.g., All-inclusive Directions of Reserve Bank of India on Urban Co-operative Banks effective from September 2021), and (c) banks where merger/amalgamation/reconstruction scheme is formulated by the competent authority with provisions for DICGC claim payment to depositors up to the insured limit.

With an Amendment in 2021, Section 18A was introduced in the DICGC Act which mandates interim relief to be provided to depositors within to 90 days (including processes undertaken by banks and auditors) of restriction being placed on the banks.

9. IADI (2014), 'Core Principles for Effective Deposit Insurance Systems', November.

10. Available at https://www.dicgc.org.in/pdf/DICGC_Act.pdf

The Corporation manages three funds viz., Deposit Insurance Fund (DIF), Credit Guarantee Fund (CGF) and General Fund (GF) with objectives of safety, orderly management of cash flows (liquidity), and returns, with safety given the highest priority followed by liquidity and then returns. The DICGC Act allows for investments in Government of India securities only, which takes care of the safety aspect.

Generally, Deposit Insurers (DIs) are classified according to their mandates as Paybox, Paybox Plus, Loss Minimiser and Risk Minimiser¹¹. As per this classification, DICGC has a limited paybox *plus* mandate. In Paybox Plus Mandate, in addition to reimbursement of Insured Deposits, DI has additional responsibilities, such as certain Resolution functions (e.g., financial support). Nevertheless, it faces various risks associated with fulfilment of that mandate, as enumerated below.

3.1 Risks faced by DICGC

Statutory timelines for claim settlement and characteristics of domestic G-Sec market¹² expose DICGC to substantial liquidity risk including funding risk. Further, having entire portfolio in fixed income securities exposes the investment portfolio to interest rate risk. The operating procedure and systems in respect of collection of premiums, treasury operations, settlement of claims, and recovery of claims pose various risks including operational risk, legal risk, and cyber security risk. Availability of banking services on a 24*7 basis and developments in communication technology, including growing influence of social media, has resulted in instant and fast mobility of funds. Growth in uninsured deposits further enhances the funds' mobility risk. These risks, if not addressed, has the potential to trigger bank failure as observed in recent banking crisis in the US. The Corporation has taken various steps to address these risks.

3.2 Risk Governance

The Board formulates Investment Management Guidelines and Risk Management Framework for investment operations. The Investment and Risk Management Committee, chaired by the Executive Director, is responsible for overseeing the implementation of the framework. All other processes and operations are overseen by the Branch Level Management Committee and are periodically reported to the Board. The Head of Treasury takes the decision in day-to-day operations based on various market developments including current and desired portfolio characteristics (including liquidity and duration) and, accordingly, guidance is provided to Treasury front office dealers for investment operations.

Considering the evolving nature of risks and need for greater focus on risk management functions, DICGC is in the process of constituting a separate Risk Management Committee of the Board with outside experts.

3.3 Accounting Classification

Currently, investment portfolio under each of the three funds at DICGC is being classified as available-for-sale (AFS), and subject to mark-to-market at monthly intervals. Though investments are shown at book value, provision for diminution in the value of securities is made via an investment reserve account (IRA). This, however, results in variability in the DIF with interest rate movements.

The present business strategy of the Corporation results in a substantial share of the portfolio being held till maturity and receipt of contractual cash flows (namely, interest and maturity payments). The investment portfolio also satisfies the condition of specified payment of principal and interest. Considering the extant business model of the Corporation, the issue of

11. Source: IADI.

12. Secondary market trading volumes are concentrated in few securities, typically in on-the run G-secs with maturity of 5, 10, and 14 years.

classifying a part of portfolio as held-to-maturity (amortised cost) is being examined. Incidentally, accounting practices among DIs do not suggest preference for any fixed strategy (Table 1).

Table 1: Accounting Practices by select Deposit Insurers

Country	Accounting methodology for Investment Portfolio
US	AFS (shown at fair value). Unrealized gains/losses as other comprehensive income.
Canada	At amortized cost (effective interest method).
South Korea	Predominantly at fair value through other comprehensive income.
Malaysia	At amortized Cost
Brazil (FGC - private non-profit organization)	Financial investments and securities that make up FGC's liquidity are classified as Fair Value through Profit or Loss No asset/security holding has been classified as Fair Value through Other Comprehensive Income (AFS)
Singapore	Financial Assets are initially measured at amortized cost. Classification is changed when and only when its business model for managing those assets changes.

Source: Respective Annual Reports available at websites of Deposit Insurers.

3.4 Risk Management Tools and Practices

3.4.1 Diversification

Within single asset class portfolio, DICGC reduces concentration risk by adopting the following strategies:

- 1) Concentration Ratio of top security: Concentration ratio of single security should not be more than 10 per cent of the total portfolio in terms of market value.
- 2) Concentration Ratio of top 4 securities: Concentration of top four securities should not be more than 20 per cent of the total portfolio in terms of market value.
- 3) Single Year Maturity Concentration Ratio: Maturities in any single year should not be more than 20 per cent of long-term portfolio in terms of market value, with an intent to reduce reinvestment risk.

3.4.2 Liquidity Risk

Liquidity profile of securities

The Corporation actively monitors the liquidity profile of the portfolio by classifying security holdings into liquid, semi-liquid, and illiquid categories on a periodic basis in accordance with the Clearing Corporation of India Limited (CCIL)¹³ publications. The CCIL manages the RBI owned anonymous electronic trading system, *i.e.*, the NDS-OM¹⁴, for dealing in G-Secs and for reporting of over the counter (OTC) deals and acts as a central counterparty for secondary market trades in G-Secs in India. The Treasury undertakes periodic assessment of the liquidity profile of the Corporation's portfolio.

13. CCIL was set up in April 2001 to provide guaranteed clearing and settlement functions for transactions in money, G-Secs, Foreign Exchange and Derivative markets. CCIL was also recognised as Qualified Central Counterparty (QCCP) by the Reserve Bank of India in 2014.

14. Negotiated Dealing System – Order Matching.

Liquidity Adequacy Ratio

The Corporation has adopted a Liquidity Adequacy Ratio (LAR) similar to the Liquidity Coverage Ratio (LCR) applicable under Basel III norms for commercial banks¹⁵ with appropriate modifications in computation methodology. The LAR provides an anchor for maintenance of high-quality liquid assets to meet expected outflows over a stated period. The Corporation is in the process of refining the methodology by considering stress components and application of haircuts on liquid assets.

Asset Liability Management Statement

The Corporation is contemplating preparation of periodic Asset Liability Management (ALM) Statement for treasury operations to manage negative mismatches in fund flow, akin to those applicable for commercial banks. The statement shall enable identification of negative mismatches, which may be required to be managed through various remedial measures. The challenge going forward would be to model potential outflows because of bank failures. Unlike life insurers or general insurers, data on bank failures are far and few, to statistically model failure probability with a certain degree of confidence.

3.4.3 Funding Risk

Liquidity Support / Backstop Funding

The IADI Core Principles (CP-6 and CP-9) for Effective Deposit Insurance Systems envisages crisis preparedness and assured liquidity funding for deposit insurers. A survey of select deposit insurers showed varied liquidity funding arrangements (Table 2).

Table 2: Liquidity funding arrangements at select deposit insurers

Jurisdiction	Liquidity Arrangements
Argentina	Borrow in the market and collection of advanced premium payments
Brazil	Special premiums, advances, loans from private sectors
Canada	Borrow from the government or markets
France	Borrow in market and additional premiums
Germany	Borrow in market, extraordinary contributions from institutions
Hong Kong	Standby credit facility from the Exchange Fund
USA	Borrow from Treasury, Federal Financing Bank, Federal Home Loan Banks, and Insured depository institutions
Indonesia	Government lending facility and recapitalization facility
Japan	Borrow from central bank, in market, or issue bonds with government guarantee
Korea	Borrow from government, central bank or market, issue bonds
Mexico	Borrow from government, central bank or markets, impose extraordinary premiums, issue bonds
Russia	Issue bonds, increase premiums, unlimited government support
Singapore	Private sources or Monetary Authority of Singapore
Turkey	Borrow from Treasury or central bank, advance payments from banks

Source: IADI (2015), 'Enhanced Guidance for Effective Deposit Insurance Systems: Ex Ante Funding, Guidance Paper', June

15. RBI (2014), 'Basel III Framework on Liquidity Standards – Liquidity Coverage Ratio (LCR), Liquidity Risk Monitoring Tools and LCR Disclosure Standards', November.

The Corporation, however, does not have a pre-arranged and assured source of liquidity funding except for an advance not exceeding ₹5 crore, which may be sought from the RBI under provisions of Section 26(1) of the DICGC Act, 1961, if required. Furthermore, the DICGC Act does not have enabling provisions for short-term borrowing from the market.

Going by experience and assessment of the adequacy of Deposit Insurance Fund, the available liquidity is sufficient to meet claim payouts under normal circumstances. However, payment of deposit insurance claims originating from a systemic crisis or financial stability issue can have the potential to deplete or seriously impair securities held in the DIF and may require co-ordinated response from all safety-net-participants. Incidentally, IADI's CP-6 on DI's role in contingency planning and crisis management suggests that the development of system-wide crisis preparedness strategies and management policies should be the joint responsibility of all safety-net participants. Further, with the emerging risk of instant transferability of funds with potential for accentuating bank failures (though otherwise solvent banking institutions) as witnessed recently in some advanced countries, the Corporation is currently reviewing its contingency planning and crisis management capabilities as outlined in CP-6.

3.4.4 Interest Rate Risk

Interest Rate Sensitivity

The Corporation performs investment operations in accordance with interest rate sensitivities as per directions given by the Investment and Risk Management Committee. Based on the assessment of interest rate cycle, a higher or lower interest rate sensitivity (such as duration or modified duration) is pursued.

Benchmarking

The DICGC has a unique portfolio due to specific characteristics wherein inflows are certain but claim outflows are uncertain. Hence, the portfolio does not have a readily available and universally acceptable benchmark. The CCIL All Sovereign Bond Index (CASBI)¹⁶ is one benchmark which has securities ranging from minimum three coupon cycles to the longest available security (currently 40 years in India). Thus, total returns of the Corporation's portfolio are compared with CASBI at present. Going by the mandate, although return on its portfolio has the lowest priority for the Corporation, going forward, a benchmark to facilitate an appropriate comparison of the portfolio return, including risk adjusted return, is considered desirable.

Value at Risk

Value-at-Risk (VaR) is estimated using the historical simulation method, at 99 per cent confidence level and one-day horizon, to assess the highest possible loss in the portfolio in a single day. The VaR methodology is also back tested to assess its appropriateness. The stressed VaR at 99 per cent confidence level for a 10-day horizon is also estimated, based on advanced approaches for market risk capital requirement under the Basel Framework. A representative period of stress is identified based on last 10 years' experience, and then similar shocks are replicated on the current portfolio using parametric approach.

Investment Reserve

In case of net depreciation in portfolio on MTM valuation based on rates provided by the Financial Benchmarks India Pvt Ltd¹⁷, the Corporation makes appropriate provision to an investment reserve account. However, as a prudent measure, net appreciation, if any, is ignored.

16. <https://www.ccilindia.com/Research/Statistics/Pages/CCILAllSovereignBondsIndex.aspx>

17. <https://www.fbil.org.in/#/home>

Investment Fluctuation Reserve

An Investment Fluctuation Reserve (IFR) has been maintained by the Corporation since 2000. The IFR brings greater transparency to accounts by accumulating reserves for future losses. Initially, the surplus in the Investment Reserve Account, after providing for depreciation in securities, was transferred to the IFR Account. Thereafter, since 2005-06, the IFR is maintained to meet market risk arising on account of diminution in value of portfolio in future. The adequacy of IFR is assessed on the basis of market risk of the investment portfolio, as on the balance sheet date. The shortfall is met by appropriation of surplus, whereas excess, if any, is retained and carried forward. The Corporation assesses market risk using the Standardised Duration Method. It may be mentioned that the Corporation maintains the IFR for market risk, whereas a reserve account by the same name maintained by banks in India is a countercyclical buffer.

3.4.5 Stress Test

Recent events have brought to fore quick mobility of funds and the speed at which banks can potentially fail. Thus, there is a need to strengthen stress testing of DIF using elements such as bank interconnectedness, contagion, extent of uninsured deposits and bulk deposits to see potential claim liabilities that may arise and to assess readiness of DIF to deal with the same.

Currently, stress test involves i) assessment of adequacy of funds in case of “low frequency high severity” events and ii) assessment of diminution in market value of investment portfolio in case of interest rate shocks (market angle). Modelling of claim pay-outs while accounting for new risks is a challenge as mentioned in the next section on ‘Target Reserve Fund’. From a market (interest rate) angle, Corporation is envisaging sensitivity tests and scenario analysis.

Sensitivity and Scenario Analysis

An assessment of interest rate sensitivity based on regression analysis for potential and

significant risk factors and outcomes is being studied to develop a model based on shocks to these risk factors individually, under medium and high stress scenarios. Under Scenario analysis, identified risk factors would further be narrowed down based on statistical computations, and multiple regressions may be used to model scenario outcomes based on shocks to identified risk factors simultaneously, under medium and high stress scenarios.

3.4.6 Operational Risk

Operational Risk Capital Requirement

Operational risk arises from, *inter alia*, failed internal processes, people, and systems. The key issues are quantification of risk and assessing capital adequacy of GF. Presently, the GF of DICGC has equity contribution of ₹50 crore from the Reserve Bank and other reserves and is created out of the surplus income or transfer from other funds such as DIF and CGF. Separate capital/reserve for operational risk can be considered desirable, otherwise, resulting losses may impact the Deposit Insurance Fund (DIF) and cause variability in funds available for core deposit insurance function of meeting pay-out to depositors of failed banks.

Enterprise-wide Risk Management - Risk Register

The Corporation, being a wholly owned subsidiary of the Reserve Bank of India, is covered under enterprise-wide risk management (ERM) framework of the Reserve Bank. The risk management structure consists of Business Owner, centralised risk monitoring and inspection, and audit process. A risk register is a repository of risks identified in a business area. Based on risks recorded and rated in the risk register, risk profile and heat map are generated categorising i) Area of High Risks, ii) Area of Significant Risks, and iii) Area of Acceptable Risks. Incidents are also reported along with remediation measures undertaken, in case of “loss” and “Near Miss” events/incidents to create a repository.

People risk

People risk is mitigated by having specialised personnel for specialised roles such as treasury dealing operations, and by rotation of employees to ensure proper knowledge transfer and reduced dependence on specific personnel. Additionally, considering sensitive nature of operations at treasury, dealers are sent on mandatory leave of 10 days every year as a prudent operational risk management measure.

Business Continuity Planning and Disaster Recovery Drills

As part of Business Continuity Planning to deal with a crisis situation, DICGC conducts Disaster Recovery (DR) drills on a monthly basis from alternate dealing room premises to ensure that an alternate site is ready and functional to ensure uninterrupted operations even during unavailability of production site due to any unforeseen circumstances.

3.4.7 Audit as the third line of Defence: Internal and External Audits**Internal Audit**

Internal Audit is the third level of defence after business level management and compliance/risk management functions. The Control Self-Assessment Audit (CSAA) by DICGC staff, enables all the departments of the Corporation to carry out regular audits and assess weaknesses, so that timely reviews are made, and corrective actions are taken. Besides, the concurrent audit of financial accounts is conducted by the external chartered accountant firms, concurrently with the occurrence of transactions.

Risk Based Inspection/Audit

Inspection Department of the Reserve Bank conducts risk-based inspection/audit (RBIA) including Information Systems audit to provide independent and objective opinion to management as to whether the business processes and risks are being properly managed.

Statutory Audit

The affairs of the Corporation are subjected to annual statutory audit by a firm of qualified auditors appointed by the Board with the previous approval of the RBI. The accounts are also subjected to half yearly limited review between two statutory audits.

Special Audit of deposit insurance claims

The Corporation also appoints a qualified auditor to conduct on-site scrutiny of depositor insurance claim list prepared by liquidator / banks under all-inclusive Directions.

3.5 Target Reserve Fund

Target Reserve Fund refers to the size of the Deposit Insurance Fund (DIF), typically measured as a proportion of the assessment base (e.g., total or insured deposits) which is sufficient to meet the expected future obligations and cover the operational and related costs of the deposit insurer. The fund size of the Corporation is forecasted after projecting various inflows such as premium, coupon income, recovery (from claims paid earlier), and outflows such as claims, income tax and other payments. The adequacy of DIF has been worked out using a model developed in-house by considering likelihood of bank failures and resulting potential claim payments. A detailed discussion on the target DIF size is presented in the next Section.

4. Deposit Insurance Fund (DIF) Target Size - Indian Experience

Financial stability in an economy rests on a carefully designed financial safety-net framework. Deposit insurance is one of the critical components of this financial safety-net in addition to prudential regulation, supervision, emergency liquidity facility and effective resolution mechanism. While regulation and supervision act as the first line of defence for financial stability in general, emergency liquidity to banks from the central bank as the lender of last resort (LOLR) and insurance of bank deposits help in maintaining the confidence of the public in the banking system.

As per the IADI, the two principal public policy objectives of deposit insurance systems are to protect the eligible depositors of banks and thereby contribute to financial stability¹⁸. The Deposit Insurer (DI), mandated by law to administer the deposit insurance system, can either insure the entire deposits or up to a certain coverage limit to prevent bank runs. In order to fulfil this mandate, the DI needs to have adequate funds at its disposal.

4.1 Funding Mechanisms at Deposit Insurance Systems

There are typically three funding mechanisms available to a deposit insurance system, namely ex-ante, ex post and a combination of the two (hybrid mode). In the ex-ante funding mechanism, the deposit insurer creates and maintains a DIF, which is used to pay depositors in the event of a bank failure. The DIF is primarily financed by the premiums collected in advance from the insured financial institutions (banks and/or other deposit taking financial institutions) and the returns earned from investment of these funds. Under the ex-post mode, banks contribute the required money to pay the eligible depositors after the occurrence of a bank failure(s).

Globally, more than 80 per cent of the deposit insurance systems in 2022 are ex-ante funding systems¹⁹. The general view is that the benefits of an ex-ante funding outweigh that of the ex-post mode. First, the former mechanism instils confidence among the depositors. Second, in ex-ante funding, all insured banks, including those having the potential to fail, contribute the premium at prevailing rates on their assessable deposits. This reduces cross subsidisation and makes the system a relatively level playing field; whereas in ex post mode, the riskiest banks, which are more likely to fail, never contribute to the fund. Third, ex ante method reduces the pro-cyclicality of the

funding system as the fund created in normal course can be drawn down during a crisis and does not require the mobilization of additional funds. Fourth, in ex-post funding, any delay or uncertainty in raising funds during a bank failure could delay the reimbursement process. Finally, it is felt that the ex-ante mode enables the adoption of a differential premium system, thereby reducing the moral hazard problem, as higher risk is offset by higher premium. However, the flip side is that the ex-ante funding mechanism involves an opportunity cost, as the premium paid could be used by banks to lend to productive economic activities that generate higher returns. DICGC follows ex-ante funding system of its DIF.

4.2 Determining Sufficiency of DIF: Methodology & Challenges

One of the key challenges in an ex-ante deposit insurance system, however, is to determine the “sufficient” level of the DIF to meet future insurance claim obligations to the depositors. It is generally acknowledged, given the policy objectives and mandate of a deposit insurance system, that the DIF should be sufficient to deal with serious difficulties in the banking sector and not a systemic banking crisis as indicated in the IADI Core Principles presented to the Financial Stability Forum in March 2008.²⁰ If the deposit insurance system had to resolve a systemic crisis, then the DI Fund would be required to cover the total volume of insured deposits. Furthermore, dynamic changes in the deposit liability of the banking sector requires periodic review of DI Fund sufficiency. Therefore, it is important that DI Fund sufficiency should be examined in the context of a dynamic target.

The factors that predominantly determine the setting of a target fund are: i) structure of the financial system and its characteristics; ii) legal framework; iii) prudential regulation, supervision,

18. IADI (2014), “Core principles for effective deposit insurance systems.”

19. Van Roosebeke, B., & Defina, R. (2023). Deposit Insurance in 2023: Global Trends and Key Issues.

20. IADI (2009), “Evaluation of Deposit Insurance Fund Sufficiency on the Basis of Risk Analysis”, Discussion Paper, Basel.

and resolution regime; iv) macroeconomic conditions; v) availability and accessibility of emergency/ backup funding; and vi) state of accounting and disclosure regime. There are different approaches in setting the target fund size, viz., discretionary method, statistical method of estimation of the Deposit Insurance Agencies (DIA's) loss distribution and combination of both. The IADI has identified two basic methods of evaluation of DI Fund sufficiency: the first on the basis of expert opinions (without estimation of probability of Default (PD) of member banks) and the second on the basis of risk analysis (on the basis of estimation of PD of member banks).²¹

There are various metrics adopted to assess the optimum level of DIF in an efficient deposit insurance system. One indicator commonly monitored to assess the sufficiency of DIF for reimbursement to depositors is the reserve ratio (RR), also known as the target ratio, which is defined as the ratio of DIF to insured deposits.

4.3 International Experience

A 2018 cross-country survey²² suggests that 64 of the 69 respondents had ex ante funding mechanism, of which 44 (*i.e.*, 69 per cent) have fund targets. In these 44 DIAs, the target fund is either statutorily set (28 DIAs) or prescribed by the governing body (16 DIAs). Of the remaining 20 DIAs that do not have fund targets, 19 of them have plans to set the target. Furthermore, of the 44 DIAs that have a fund target, two countries, namely, Bahamas and Japan, use a target amount as the fund target. Some jurisdictions such as Jamaica, Kosovo, Malaysia and South Korea prescribe the target ratio as a range.

A comparison of select Advanced Economies (AEs) and Emerging Market Economies (EMEs) from the 2022 Annual Survey by IADI showed that the reserve ratios of various DIAs ranged between 0.23 per cent in Hong Kong to 12.20 per cent in Libya (Table 1). In some

jurisdictions, the RR is fixed in the respective statutes.

Table 3: Country-wise deposit insurance coverage ratio and reserve ratio (As on December 31, 2021)

(Per cent)

	Country	Coverage Ratio	Reserve Ratio
1	Libya	100.00	12.20
2	Philippines	19.52	7.68
3	Albania	58.50	6.66
4	Poland	68.70	2.74
5	Bulgaria	71.93	2.02
6	India	49.00	1.81
7	Mexico	55.98	1.40
8	United States	53.35	1.27
9	Canada	35.50	0.71
10	South Korea	50.00	0.62
11	Hungary	58.00	0.58
12	Japan	70.28	0.57
13	Netherlands	55.00	0.55
14	Finland	56.00	0.51
15	Malaysia	34.60	0.49
16	Italy	60.84	0.36
17	Hong Kong SAR, China	20.00	0.23

Note: Data for India is as on March 31, 2022. Coverage Ratio is at 46.3 per cent and Reserve Ratio is at 2.02 per cent as on March 31, 2023.

Source: IADI Annual Survey, 2022.

4.4 Indian Perspective

In India, the deposit insurance scheme has the principal policy objective of protecting the 'small depositors' of banks having deposits up to the coverage limit of ₹5 lakh held in the "same right and same capacity". The scheme is mandatory for all banks operating in the country and is administered by the Deposit Insurance and Credit Guarantee Corporation (DICGC).

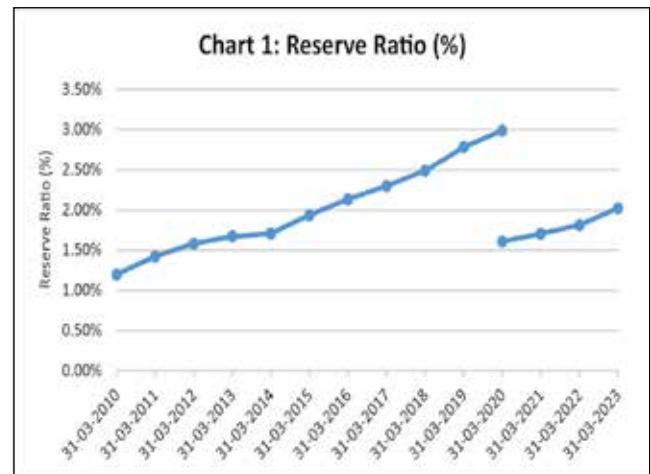
21. IADI (2009), "Evaluation of Deposit Insurance Fund Sufficiency on the Basis of Risk Analysis", Discussion Paper, Basel.

22. IADI (2018), "Deposit Insurance Fund Target Ratio", Research Paper, July.

The Corporation maintains an ex-ante DIF for settlement of claims of depositors of banks taken into liquidation/amalgamation/All Inclusive Direction (AID) of the Reserve Bank, where restrictions are placed on the withdrawal of deposits. The fund is primarily accumulated through insurance premium from the member banks, which the Corporation is mandated to invest in G-Secs. Consequently, the DIF of the Corporation is accumulated by the net surplus flows, that is, cash inflows net of cash outflows. The five major cash inflows are: (i) insurance premia, (ii) coupon payments from the G-Secs in the investment portfolio, (ii) redemption of maturing G-Secs, (iv) recoveries out of assets of failed banks from the liquidators/administrators/transferee banks, and v) interest income from lending in the market reverse repo. The major cash outflows, *inter alia*, is the expenditure by way of payment of claims of depositors and related expenses, net of taxes.

From the year 2010 to February 04, 2020, when the deposit insurance coverage limit was ₹1 lakh, the reserve ratio (RR) for India increased from 1.20 per cent at end-March 2010 to 2.78 per cent at end-March 2019 (Chart 1). On February 04, 2020, with the deposit coverage limit increased to ₹5 lakhs, the RR declined to 1.61 per cent as at end-March 2020, and subsequently increased to 2.02 per cent as at end-March 2023.

The five-fold increase in the insurance limit to ₹5 lakh since February 2020, has resulted in an increase in the deposit insurance premium to be paid by banks from 10 paise per ₹100 of assessable deposits to 12 paise with effect from April 1, 2020. At present, DICGC collects premium at a uniform rate. The current maximum limit is 15 paise. However, after the recent amendment, the Corporation can raise the limit taking into consideration its financial position and the interest of the banking system, with prior approval of the Reserve Bank.



4.5 Target DIF at DICGC (Medium Term Estimation)

To evaluate the Target DIF for the medium term, *i.e.*, up to 2027-28, DICGC estimates the RR using two methodologies: (a) Projection of the DIF and the resultant RR; and (b) assessment of the required RR based on risk profiling of the banks.

4.5.1 Projection of DIF and Expected Reserve Ratio in Medium Term

The DIF was projected up to the year 2027-28 based on extrapolation of the inflows into the fund, *viz.*, premium income, coupon income and recovery; and the outflows from the fund, *viz.*, claims pay-out and income tax expenditure. The extrapolation is based on the trend estimated for the period from 2016-17 to 2021-22 through least squares regression. Similarly, the insured deposits in the banking system are also extrapolated and the expected RR in the medium term is estimated as the ratio of extrapolated DIF and extrapolated Insured Deposits. This exercise is carried out every six months to back test earlier projections and revise projections in view of fresh data. Incidentally, Chairman, DICGC had stated that “with insurance cover of ₹5 lakh and the observed patterns of premium, investment and recovery income net of claims and income tax, it is feasible to increase the reserve ratio to at least 2.50 per

cent by 2027-28 with a 95 per cent confidence interval. Progress towards this objective needs to be periodically reviewed so that (the Corporation) stays the course steadfastly”²³. As per internal estimates based on past trend, we are on course to achieve the above RR.

4.5.2 Assessment of Required Reserve Ratio based on risk profiling of banks

The computation is based on Merton-Vasicek model, wherein, expected loss under normal circumstances is calculated using probability of default²⁴ (PD), Exposure at Default²⁵ (EAD), and Loss Given Default²⁶ (LGD). The amount at risk was computed based on estimated PDs, insured deposits and loss given default for various risk categories. Additionally, insured deposits of two medium-sized medium-risk banks were considered as a conservative estimate to incorporate stress scenario. Incidentally, Discretionary Method for determining Fund target in IADI research paper²⁷ suggests that Deposit Insurer should set fund target to cover its potential exposure for all small banks and some medium-sized banks. Based on internal estimates and past experience, funds are found to be adequate under normal course of business and the reserve ratio is comparable with peer DIs. However, in case of a black swan event, including failure of large banks, systemic crisis or a financial stability issue, co-ordinated response from all financial safety-net providers may be required. Incidentally, IADI CPs 6 on DI role in contingency planning and crisis management suggests that the development of system-wide crisis preparedness strategies and management policies should be the joint responsibility of all safety-net participants. In view of the potential changes in the risk profile of banks, the reserve ratio is required to be assessed every two years.

5. Concluding Observations

Recent bank failures in certain parts of the globe has brought into sharp focus, the role played by Deposit Insurers in mitigating the impact of such failures. While oversight of risk management practices in the form of an adequate risk governance structure is *sine quo non*, renewed focus on risk management practices, particularly in management of liquidity risk, market risk and stress test of DIF is required on an ongoing basis, going forward.

The Corporation, despite having a limited paybox plus mandate as a Deposit Insurer, actively manages various risks. Risk management is an ever-evolving field and is a work in progress. The Corporation has undertaken various initiatives to be in readiness to deal with uncertain situations which may arise, while also reducing the opaqueness in available funds by quantifying various risks and setting aside prudential reserves. Currently risk management practices of the Corporation are under review by a Committee comprising select senior officers from the RBI and DICGC and it is envisaged that going forward Corporation will be able to fine tune its risk management practices to tackle newer challenges.

Globally, discussions on the target size of the DIF is gaining traction including in India, particularly since the bank failures in the US in early March 2023. Availability of banking services on 24*7 basis and rapid developments in communication technology including influence of social media has resulted in instant movement of deposits on slightest knowledge of any adverse news relating to a bank, which prompted some to even call the social media a “Financial Weapon of Mass Destruction (WMD)”²⁸. Emerging research

23. Patra, M. D. (2022), “Deposit Insurance in India – Journey; Milestones; Challenges”, RBI Bulletin, July.

24. PD is amount weighted *i.e.*, calculated by Insured Deposit of banks at default/ Total Insured Deposits

25. Insured deposit is considered as EAD.

26. Calculated by computing actual loss after considering recoveries (data for past 5 years).

27. IADI (2018), “Deposit Insurance Fund Target Ratio”, Research Paper, July.

28. Gruyter, Caroline (2023) ‘Social Media Is Now a Financial WMD’, Foreign Policy Magazine, May, <https://foreignpolicy.com/2023/05/01/social-media-banks-bank-run-credit-suisse-silicon-valley-first-republic/>

studies find evidence of negative and significant impact of social media on the US banking crisis²⁹ and its quick transmission to European and G7 markets³⁰. As observed in recent bank failures, some of the banks that were otherwise solvent, failed to liquidate assets and meet redemption pressure, accentuated by instant mobility of funds and adverse social media publicity .

Resolving a banking crisis that could potentially derail financial stability will require a co-ordinated response from all financial safety-net participants. However, in the backdrop of

recent bank failures, it may be prudent for any DI going forward, to not only check periodically its contingency planning and crisis preparedness strategy but also assess adequacy of DIF on parameters *inter alia*, bank's idiosyncratic risk (*viz.*, model risk and level of uninsured/bulk deposits), contagion risk and interconnectedness of the financial system, extent of 24*7 banking and social media influence. While modelling some of these risks is a challenge, deposit insurers, however, need to be guarded and well prepared to meet liabilities as and when they arise.

29. Cookson, J. A., Fox, C., Gil-Bazo, J., Imbet, J. F., & Schiller, C. (2023). Social media as a bank run catalyst. Available at SSRN 4422754.
30. Dosumu, O. E., Sakariyahu, R., Oyekola, O., & Lawal, R. (2023). Panic bank runs, global market contagion and the financial consequences of social media. *Economics Letters*, 228, 111170.
31. Federal Reserve Board (2023), "Review of the Federal Reserve's Supervision and Regulation of Silicon Valley Bank", states that the combination of social media and technology may have fundamentally changed the speed of bank runs. Social media enabled depositors to instantly spread concerns about a bank run, and technology enabled immediate withdrawal of funds.

3.

DIRECTORS' REPORT

REPORT OF THE BOARD OF DIRECTORS ON THE WORKING OF THE DEPOSIT INSURANCE AND CREDIT GUARANTEE CORPORATION FOR THE YEAR ENDED MARCH 31, 2023

(Submitted in terms of section 32(1) of the Deposit Insurance and Credit Guarantee Corporation Act, 1961)

PART I: OPERATIONS AND WORKING

The number of insured banks registered with the Corporation stood at 2,026 as on March 31, 2023 comprising 139 commercial banks [including 6 payment banks (PBs), 12 small finance banks (SFBs), 43 regional rural banks (RRBs) and 2 local area banks (LABs)] and 1,887 cooperative banks (**Appendix Table 1**). Cooperative banks remained predominant in terms of registered institutions. 14 banks were deregistered during the year, of which 12 were cooperative banks. During the year, no new bank was registered as an insured bank (**Appendix Table 3**).

I.1 DEPOSIT INSURANCE SCHEME

At present, deposit insurance covers all commercial banks (including PBs, SFBs, RRBs and LABs) and cooperative banks in all States and Union Territories (UTs) of the country.

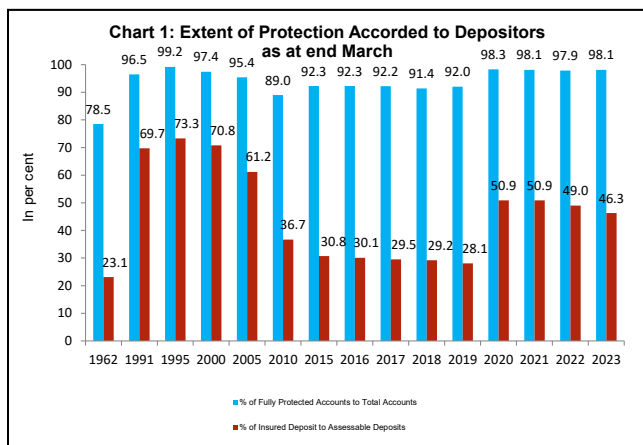
I.1.1 INSURED DEPOSITS

The number of fully protected accounts were 294.45 crore (*i.e.*, accounts with deposit balance up to ₹5 lakh) as at end-March 2023 and they constituted 98.12 per cent of the total number of accounts (300.10 crore) in the banking system as against the international benchmark of 80 per cent (**Chart 1**). The amount of insured deposits at ₹83,89,470 crore constituted 46.31 per cent of assessable deposits of ₹1,81,14,550 crore as against the international benchmark of 20-30 per cent (Table 1) of the deposits covered under insurance protection. RRBs account for the highest share at 81.85 per cent followed by LABs at 74.22 per cent, cooperative banks at 64.93 per cent, State Bank of India at 53.80 per cent and public sector banks at 49.82 per cent, SFBs at 40.34 per cent, private sector banks at 36.60 per cent and foreign banks at 7.15 per cent. (**Appendix Table 5**).

Particulars	As at the end of	
	March 31, 2022	March 31, 2023
1 Total No. of Accounts (crore)	262.19	300.10
2 Fully Protected Accounts (crore) [^]	256.67	294.45
3 2 to 1 (%)	97.90	98.12
4 Assessable Deposits (₹ crore)	1,65,49,630	1,81,14,550
5 Insured Deposits (₹ crore)	81,10,431	83,89,470
6 5 to 4 (%)	49.01	46.31

* Based on deposit base of September 2021 and September 2022 *i.e.*, six months prior to the reference date.

[^] Refers to accounts covered by deposit insurance.



1.1.2 DEPOSIT INSURANCE PREMIUM

The total premium received by the Corporation during 2022-23 stood at ₹21,381 crore, with commercial banks contributing 94.03 per cent and cooperative banks accounting for the remaining 5.97 per cent (**Table 2**).

Table 2: Premium Received

(₹ crore)

Year	Commercial Banks including LABs & RRBs	Co-operative Banks	Total
2022-23	20,104	1,277	21,381
2021-22	18,248	1,243	19,491
2020-21	16,341	1,176	17,517
2019-20	12,311	923	13,234

1.1.3 INTEREST RATE PAYABLE BY DEFAULTING BANKS

In terms of Section 15(3) of the DICGC Act, 1961 any insured bank defaulting on payment of any amount of premium is liable to pay to the Corporation interest for the period of such default at a rate not exceeding eight per cent over and above the Bank Rate, as may be prescribed (**Table 3**). For 2022-23, the Corporation recovered ₹1.16 crore as penalty from banks.

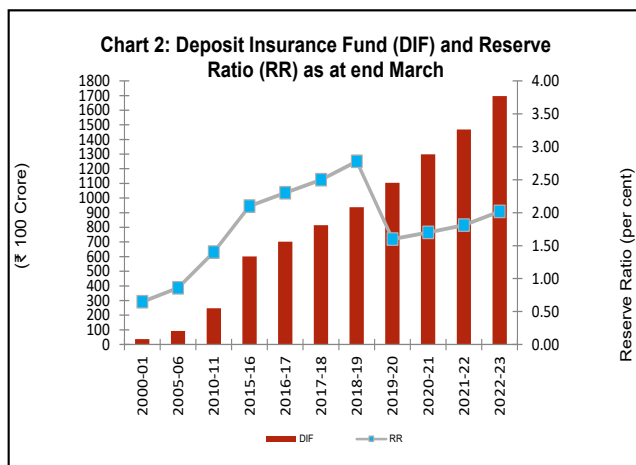
Table No.3: Movement in the Bank Rate and Penal Rate of Interest

(per cent)

From	To	Bank Rate %	Penal Interest Rate %	Interest Rate payable by Defaulting Banks %
01.04.2022	03.05.2022	4.25	8	12.25
04.05.2022	07.06.2022	4.65	8	12.65
08.06.2022	04.08.2022	5.15	8	13.15
05.08.2022	29.09.2022	5.65	8	13.65
30.09.2022	06.12.2022	6.15	8	14.15
07.12.2022	07.02.2023	6.50	8	14.50
08.02.2023	31.03.2023	6.75	8	14.75

1.2 DEPOSIT INSURANCE FUND

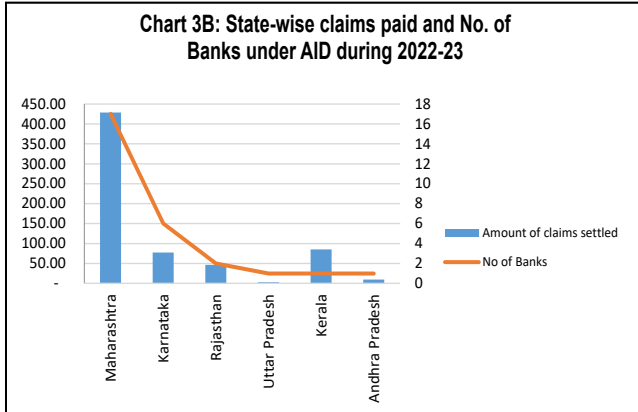
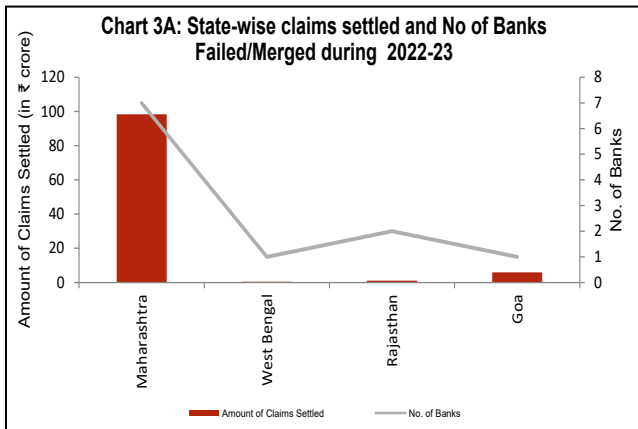
The Deposit Insurance Fund (DIF) is built out of the premium paid by insured banks and the coupon income received on investments in Central Government securities¹. The DIF also gets inflows out of recoveries made from liquidators / administrators / transferee banks. The Fund is used for settlement of claims of depositors of banks taken into liquidation / reconstruction / amalgamation. The Fund stood at ₹1,69,602 crore as on March 31, 2023 yielding a Reserve Ratio (RR)² of 2.02 per cent (**Chart 2**).



1. The Corporation increased the premium rate to 12 paise per ₹100 of assessable deposits with effect from April 1, 2020 from the earlier rate of 10 paise.
2. Ratio of deposit insurance fund ; insured deposits

I.3 SETTLEMENT OF DEPOSIT INSURANCE CLAIMS

During 2022-23, the Corporation settled claims amounting to ₹751.78³ crore to insured depositors of liquidated banks, merged entities banks and those placed under AID out of which ₹105.77 crore⁴ pertained to claims of liquidated and merged banks (Appendix Table 6 and Chart 3A and 3B) and ₹649.92 crore pertaining to banks under AID (Appendix Table 6A and Chart 3A). There were no claims from commercial banks.



The Corporation holds a provision of ₹44.70 crore, reflecting the amount refunded by liquidators on account of untraceable depositors (claims sanctioned but depositors not traceable) and a provision of ₹180.85 crore towards unidentifiable depositors for servicing future claims, if any. The

license of 9 UCBs was cancelled during FY23, however, contingent liability amounting to ₹357.25 has been booked for 7 banks. (**Appendix Table 7 and Appendix Table 7A**).

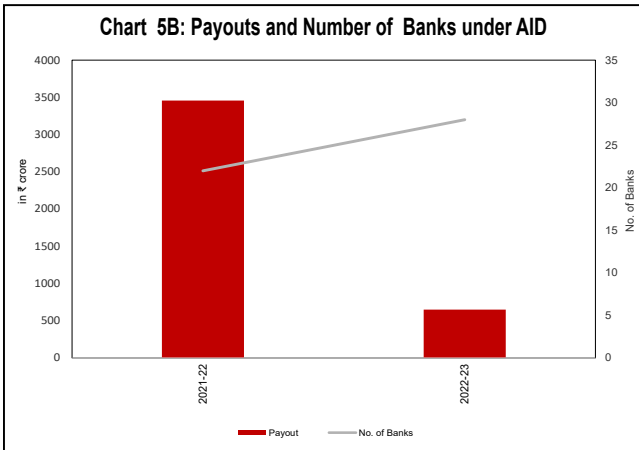
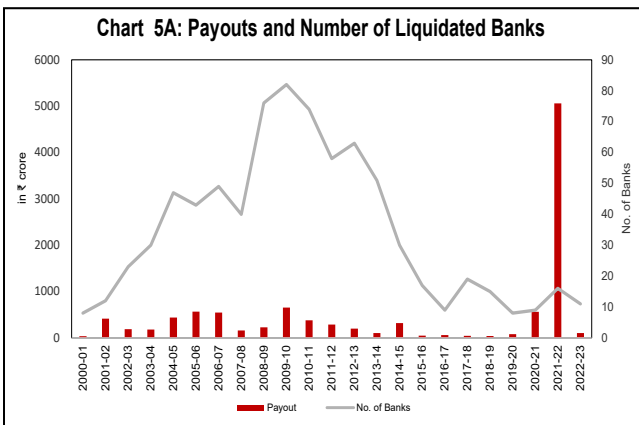
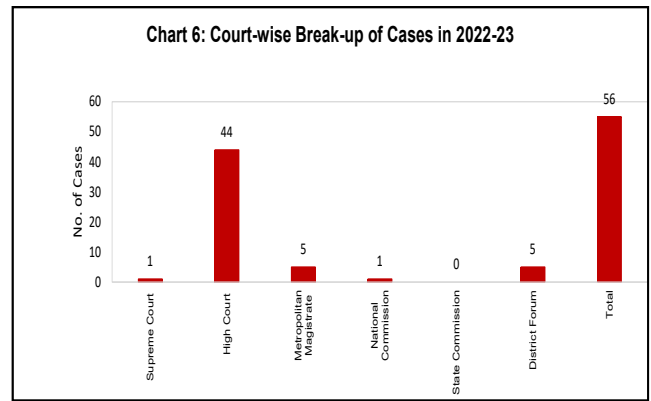
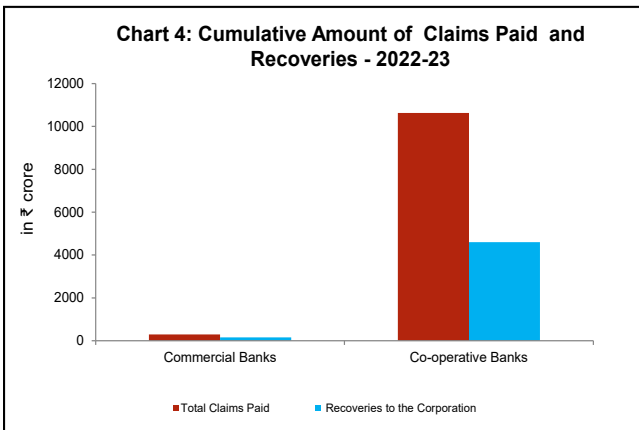
The Corporation has not sanctioned any main claim of banks under liquidation during the FY23. Further, as regards the banks under AID, the Corporation has adhered to the statutory timeline of 90 days for settlement of deposit insurance claim from the date of issue of AID to such banks.

I.4 CLAIMS SETTLED / REPAYMENTS RECEIVED

Since the inception of deposit insurance, a cumulative amount of ₹295.85 crore has been paid up to March 31, 2023 towards claims of 27 commercial banks, ₹10,631.80 crore towards claims of 374 liquidated cooperative banks (including ₹105.77 crore settled during the year) (**Chart 4 and Appendix Table 8**) and ₹4,103.45 crore towards claims of 36 cooperative banks placed under AID (**Appendix Table 8A**).

Cumulative recoveries received from the liquidators/transferee of Commercial banks aggregated to ₹157.54 crore inclusive of ₹1.62 crore received during the year 2022-23. In the case of cooperative banks, cumulative recoveries from the liquidators/ transferee banks aggregated to ₹4,602.26 crore ((liquidated non-AID and AID co-operative banks) inclusive of ₹626.72 crore ((liquidated non-AID and AID co-operative banks) received during the year 2022-23, whereas in case of AID Banks, total cumulative recoveries received during the year 2022-23 aggregated to ₹233.17 crore. An amount of ₹0.99 crore has been written off in respect of Solapur Zilla Mahila Sahakari Bank Ltd., during the year. (**Appendix Table 8 and Chart 5A and 5B**).

3. ₹751.78 crore includes ₹105.77 crore sanctioned towards claims of liquidated/ merged banks as indicated in Appendix Table 6.
4. This includes ₹59.29 crore sanctioned in respect of the claim of PMCBL settled as per the provisions of Punjab and Maharashtra Co-operative Bank Limited (Amalgamation with Unity Small Finance Bank Limited) Scheme, 2022.



I.5 COURT CASES

As on March 31, 2023, the number of Court Cases relating to deposit insurance activity of the Corporation pending in various courts and other stood at 56 as compared to 55 as on March 31, 2022. During the year, 16 case were closed, while 17 new cases were filed. Out of the 56 pending cases, 6 cases were filed by the Corporation (Recovery), while 50 cases were filed making the Corporation as party or respondent.

I.6 CREDIT GUARANTEE SCHEMES

At present, there is no credit guarantee scheme administered by the Corporation. Subsequent to 2003-04, no guarantee fees on guaranteed claims have been received and no claims have been paid. By virtue of the Corporation’s subrogation rights, recoveries received under the Small Loans Guarantee Scheme, 1971 (SLGS 1971) during 2022-23 aggregated to ₹ 2.61 lakhs as against ₹ 0.49 lakhs received during the previous year. However, there were no recoveries under the Small Loans Guarantee Scheme, 1981 since 2019-20.

PART II: OTHER IMPORTANT INITIATIVES/DEVELOPMENTS

II.1 SETTLEMENT OF CLAIMS UNDER SECTION 18A OF THE DICGC ACT – SUBMISSION OF CLAIMS BY BANKS UNDER AID WITHIN STATUTORY TIMELINE

In terms of provisions of Section 18A of the DICGC Act, as and when a bank is placed under AID, the Corporation is required to settle the deposit insurance claims of the depositors of the bank within a period not exceeding 90 days from the date of imposition of AID on the bank. However, this is contingent on the submission of a list of depositors showing the outstanding deposits of each depositor as on the cut-off date, in such form and manner as prescribed by the Corporation, within 45 days from such date of effect.

Of the total banks under AID in July 2022 10 banks failed to furnish the depositors' list within the statutory timeline, despite prompt follow-up by the Corporation. Subsequently, based on legal opinion, it was decided that the Corporation would not settle the deposit insurance claims of these banks. The same was suitably communicated to the banks. Further, it has been decided that, going forward, the Corporation shall not accept or act upon the data furnished by banks beyond the statutory timeline of 45 days.

II.2 MEASURES RELATED TO RECOVERY MANAGEMENT

All banks under AID for which claims have been settled under Section 18A have been advised that repayment is to be made to the Corporation in five equal instalments beginning from December 31, 2022. Workshops for liquidators of the various UCBs under liquidation in states of Maharashtra, Madhya Pradesh, Karnataka, and Uttar Pradesh have been conducted in order to sensitize them of their roles and responsibilities. The value free transfer of Government securities for repayment has been effected for an amount of ₹88.97 crore in respect of 3 banks during the year.

II.3 COMMUNICATION POLICY AND STRATEGY

The Corporation has framed a communication policy for creating public awareness on deposit insurance. A Technical Advisory Committee has been constituted to formulate communication strategy for the Corporation. The Corporation has appointed a nodal officer for implementation of the communication policy of DICGC and initiated plans to conduct a survey to assess the level of depositors awareness. The Corporation also initiated the use of a local messaging app for depositors' awareness on deposit insurance including in areas where banks have been placed under 'All Inclusive Directions' (AID) of the RBI or

licences have been cancelled for availing claims from DICGC. Corporation plans to use other social media channels in taking forward communication strategy.

II.4 RISK MANAGEMENT

With the multi-fold increase in the portfolio size and complexity of treasury operations, the Corporation has felt the need to undertake a comprehensive review of treasury operations so as to make it more robust and efficient in meeting the emerging needs of the Corporation. Accordingly, a Committee has been set-up to deliberate on several aspects of treasury operations including management of liquidity and interest rate risks, physical infrastructure for dealing operations, MIS requirements, and risk management practices and give its recommendations.

PART III: STATEMENT OF ACCOUNTS

The financial statements of the Corporation comprising its balance sheet, revenue account, and cash flow and main operations for the year ended March 31, 2023 have been prepared in the form as mentioned in Section 28 of the DICGC Act for each of the three funds viz., Deposit Insurance Fund (DIF), Credit Guarantee Fund (CGF) and General Fund (GF). The affairs of the Corporation in terms of the Section 29 of the Act have been audited by the Statutory Auditors and are appended separately.

III.1 INSURANCE LIABILITIES

- (a) The Corporation processed claims amounting to ₹729.63 crore during 2022-23. An amount of ₹751.78 crore (₹8,474.04 crore)⁵ was paid towards insurance claims during 2022-23 while ₹39.27 crore were paid during 2022-23 from the liability crystallized in the previous year.
- (b) The actuarial liability for the Deposit Insurance Fund (DIF) of the Corporation

5. The figures in parentheses adjacent to the current years data indicate the corresponding position in the previous year.

as estimated by the actuary stood at ₹12,174.47 crore (₹13,974.03 crore) at the end of the year registering a decrease of 12.88 per cent over the corresponding period of the previous year.

- (c) There is no claim liability in respect of the Credit Guarantee Fund (CGF).

III.2 REVENUE DURING THE YEAR

- (a) The surplus in the DIF was ₹33,391.31 crore (₹20,566.21 crore), registering an increase of ₹12,825.10 crore (62.36 per cent) on a year-on-year basis, primarily on account of increase in premium income by ₹1,890.31 crore, increase in income from investment by ₹1,411.90 crore, increase in recoveries of claims paid by ₹483.84 crore, decrease in Net Claims by ₹7,391.19 crore and decrease in actuarial liability by ₹1,799.56 crore. However, it was partially offset by increase in depreciation on investment by ₹1,850.46 crore.
- (b) The surplus in the CGF was ₹48.01 crore (₹44.9 crore), attributed to increase in income from investments by ₹3.02 crore.
- (c) The surplus in the General Fund (GF) stood at ₹179.36 crore (₹36.02 crore), mainly on account of interest on the income tax refund of ₹164 crore. There was an increase in expenditure by ₹7.78 crore primarily due to increase in staff cost, establishment, travelling and halting allowances, legal charges, professional charges and repair of office property/dead stock. Income from investment increased by ₹5.16 crore.

III.3 ACCUMULATED SURPLUS

As on March 31, 2023 the accumulated surpluses/reserves (post tax) in the DIF, CGF and GF stood at ₹1,57,427 crore (₹1,32,868 crore), ₹612 crore (₹576 crore) and ₹719 crore (₹585 crore) respectively.

III.4 INVESTMENTS

The book (at cost) value of investments of the three funds, viz., DIF, CGF and GF, stood at ₹1,73,738 crore (₹1,48,747), ₹637 crore (₹589 crore) and ₹774 crore (₹616 crore) respectively, at the end of 2022-23. All three funds recorded appreciation and market value of investments in these funds stood at ₹1,71,887 crore, ₹649 crore and ₹781 crore, respectively.

III.5 TAXATION

III.5.1 INCOME TAX

As on March 31, 2023, the accumulated balance (outstanding) in the Advance Income Tax (AIT) account in respect of DIF, CGF and GF stood at ₹8,853 crore (₹17,578 crore), ₹12 crore (₹42 crore) and ₹44 crore (₹11 crore) respectively. The accumulated balance in provision for taxation stood at ₹8,404 crore (₹15,757 crore), ₹12 crore (₹33 crore) and ₹45 crore (₹13 crore) respectively.

III.5.2 GOODS AND SERVICE TAX

The Corporation is liable to pay GST for the deposit insurance services rendered to the banks. It has discharged the GST liability in compliance thereof to the order of ₹3,848.72 crore during the year. The same was collected from insured banks.

PART IV: TREASURY OPERATIONS

- IV.1** In terms of section 25 of the DICGC Act, 1961 the Corporation invests its surplus in Central Government securities. The overall size of the investment portfolio of the Corporation stood at ₹1,75,149 crore as on March 31, 2023 as compared with ₹1,49,952 crore as on March 31, 2022 representing an increase of 16.80 per cent over the previous year. The market value of the portfolio stood at ₹1,73,318 crore as on March 31, 2023 as compared with ₹1,51,837 crore as on March 31, 2022, registering an increase of 14.15 per cent and 0.99 times of book value vis-

à-vis 1.01 times as on March 31, 2022. The portfolio return⁶ during the year was 5.49 per cent as compared with 3.66 per cent in 2021-22, mainly on account of deployment of premium income and coupon/maturity inflows at higher rates during the year owing to increase in policy rates by RBI compared to the previous year. The market value of existing and fresh investments during the year were adversely affected by a significant rise in yields leading to net depreciation in the investment portfolio.

IV.2 Central Government securities are valued at model prices published by the Fixed Income Money Market and Derivatives Association of India (FIMMDA). In terms of the accounting policy on investments, net depreciation, if any, is recognised while net appreciation, if any, is ignored. As on March 31, 2023, DIF recorded net depreciation, while CGF and GF recorded net appreciation. Further, the Corporation maintains an Investment Fluctuation Reserve (IFR) as a cushion against market risk. As on March 31, 2023 IFR of ₹6,966.97 crore calculated by the Standardised Duration method was maintained *vis-à-vis* ₹6,536.38 crore as on March 31, 2022.

IV.3 Yields on the securities hardened during the year (the 10-year bench mark yield was 7.32 per cent as on March 31, 2023 *vis-à-vis* 6.84 per cent on March 31, 2022⁷). Yields started rising from Q1 of FY 2022-23 as RBI MPC started the process of rate hikes with the first hike announced in the May 2022 MPC policy meeting to control high inflation

numbers. US Fed also announced policy rate hikes after US CPI inflation data printed at the highest levels in nearly 40 years. There were a series of rate hikes by the RBI and other global central banks during the year exerting upward pressure on yields and leading to unrealized losses on bond holdings when marked to the market. Net depreciation on the investment portfolio of the Corporation on account of rising yield was ₹1831.52 crore as on March 31, 2023. Corporation adopted an approach of reducing portfolio duration to contain the impact of rising yields on the investment portfolio. The deployment of incoming premium and coupon/principal inflows was undertaken in liquid securities maturing up to 14 years which helped in building the holdings of on the run liquid securities as well. Claims payments during the year were discharged successfully using the cash inflows in timely manner. Corporation also participated in Auctions selectively and built books of liquid securities accordingly.

PART V: ORGANISATIONAL MATTERS

V.1 BOARD OF DIRECTORS

The general superintendence, direction and the management of the affairs and business of the Corporation vest in a Board of Directors which exercises all powers and actions as may be exercised by the Corporation. In terms of Regulation 6 of the DICGC's General Regulations, 1961, the Board of Directors of the Corporation is required to meet ordinarily once in a quarter. Three meetings of the Board were held during the year ended March 31, 2023.

6. Total weighted return is calculated using the Dietz Method, viz. $TWR = [MVE - MVB + I - C] / [MVB + (0.5 \times C)]$, where MVE/B = Market value at End/Beginning, I = Income received, C = Contribution of fresh inflows/outflows.

7. 6.54 GS 2032 was the 10-year benchmark security as on March 31, 2022 which was later replaced by 7.26% GS 2032 on Aug 22, 2022. 7.26% GS 2033 has become the benchmark security since February 06, 2023

V.1.1 NOMINATION / RETIREMENT OF DIRECTORS

Shri Pankaj Sharma, Joint Secretary, Department of Financial Services, Ministry of Finance, Government of India has been appointed as Director on the Board of the Corporation by the Central Government under Section 6(1)(c) of the DICGC Act 1961, with effect from April 1, 2022.

Shri Govinda Rajulu Chintala, Chairman, NABARD, appointed under section 6 (1) (d) of the DICGC Act, 1961 ceased to be a Director on the Board of the Corporation with effect from July 12, 2022 on account of superannuation. Shri Shaji K V, Chairman NABARD was appointed as Director on the Board of the Corporation by the Central Government under Section 6 (1) (d) of the DICGC Act 1961, with effect from February 15, 2023.

V.2 AUDIT COMMITTEE OF THE BOARD

As on March 31, 2023, the Audit Committee of Board was as under:

1. Shri Shaji K.V. Chairperson
2. Shri Pankaj Sharma Gol Nominee Director
3. Dr. Deepak Kumar Director

Three meetings of the Audit Committee of the Board were held during the year ended March 31, 2023.

V.3 INTERNAL CONTROLS

The Corporation has devised a system of control over revenue and expenditure under the three funds viz., DIF, CGF and GF, through quarterly reviews. The annual budget for expenditure under these funds is prepared on various parameters, viz., liquidation cost on claims to be paid of insured banks; project maintenance cost of IT vendor; legal expenses; advertisement cost and staff and establishment related payments. It is approved by the Board before the commencement of each accounting year. Estimates of receipts under the three funds,

viz., premium receipts, recoveries and investment income, are also included in the budget. A mid-term review of budgeted expenditure and receipts vis-a-vis actual expenditure, based on the position as at the end of each half year, is placed before the Board.

V.3.1 CONCURRENT AUDIT

M/s Devendra Kumar & Associates have been re-appointed as Concurrent Auditors of the Corporation for the year 2023-24. The major findings of monthly audit are placed before the Audit Committee of the Board.

V.3.2 CONTROL & SELF - ASSESSMENT AUDIT

Under Control and Self-Assessment Audit (CSAA), a system has been put in place whereby officers of the Corporation conduct audits of work areas with which they are not functionally associated on a half-yearly basis. Reports for corrective actions, if any, are submitted by them. The CSAA for HY ended December 2022 has been conducted and the report was placed before the management team.

V.3.3 RISK BASED INTERNAL AUDIT

Risk Based Internal Audit (RBIA) of the DICGC was conducted by the Inspection Department of the RBI.

V.4 TRAINING AND SKILL DEVELOPMENT

The Corporation deutes its staff to various training programmes, conferences, seminars and workshops with a view to upgrade skills. These programmes are conducted by various training establishments of the RBI, reputed training institutions in India as well as abroad, the International Association of Deposit Insurers (IADI) and other foreign deposit insurance institutions. During 2022-23, 28 officers, 18 class III and 1 class IV employee were nominated to participate in these programmes (including 4 officers and 1 class III employee in online mode). Besides 17

officers were nominated for participating in the various programmes conducted by 'IADI, Asia Pacific Regional Committee (APRC) conference, Joint Task Force on Strategic Priorities and Action Plans Philippines *etc.* (including 8 officers in online mode).

V.5 STAFF STRENGTH

The entire staff of the Corporation is on deputation from the RBI. The staff strength of the Corporation as on March 31, 2023 stood at 67 as against 59 as on March 31, 2022 (Table 4).

Table 4: Category wise Staff Strength as on March 31, 2023

Category	Number	Of which		per cent	
		SC	ST	SC	ST
1	2	3	4	5	6
Class I	38	5	3	13.2	7.9
Class III	25	4	2	16.0	8.0
Class IV	4	0	1	0.0	25.0
Total	67	9	6	13.4	9.0

SC: Scheduled Castes ST: Scheduled Tribes.

V.6 THE RIGHT TO INFORMATION ACT, 2005

As a public authority, the Corporation is obliged to provide information to the public under the Right to Information Act (RTI). During 2022-23, a total of 60 RTI requests and three appeals were received and the Appellate Authority Order was issued by the Corporation within the prescribed timeframe. One CIC Appeal hearing was attended by the Corporation and the CIC directions regarding the same were complied with. The RTI queries primarily pertained to role of RBI and DICGC in protecting depositors, information on claim settlement, queries on enhancement of deposit insurance cover, information on failed banks, banks under AID and amount disbursed *etc.*

V.7 USE OF HINDI

In compliance with the provisions of Official Languages Implementation Act, the Corporation prepared quarterly progress reports on use of Hindi. The Official Languages Implementation Committee met on a quarterly basis to monitor and promote the use of Hindi in the day-to-day functioning of the Corporation. Hindi correspondence stood at 96.92 per cent of the total in 2022-23. The Corporation also organizes 'Hindi Fortnight' every year. Hindi Day celebration was held on October 12, 2022.

V.8 CUSTOMER CARE CELL IN THE CORPORATION

The Corporation operates a customer redressal cell for prompt redressal of complaints from the members of public. The Cell is under the charge of a Senior Officer. The complaints relating to non-receipt of claim amount from banks under direction/liquidated banks, non-acceptance of Claim Willingness form by the banks *etc.* are being handled by the Corporation. Disposal of complaints is being made in a timebound manner in coordination with liquidators/nodal officers of the AID banks, regulatory and supervisory departments of RBI. Specific issues relating to complaints are also taken up with the Sub-Committee of Task Force on Urban Cooperative Banks (TAFUCB) for disposal.

V.9 PUBLIC AWARENESS

As part of public awareness, the Corporation disseminates information about deposit insurance to the public through insured banks, its website, brochures and booklets. RBI Press release on AID banks has been updated to incorporate information regarding DICGC payout u/s 18A of DICGC Act (amended) to create awareness among the banks/public. The Corporation has onboarded Public App, for targeted local messaging on AID banks and information on DICGC in general, which has elicited remarkable response. Modalities of the survey on public awareness are being discussed with RBI in terms of extant procedure.

V.10 ROLE IN INTERNATIONAL ASSOCIATION OF DEPOSIT INSURERS

V.10.1 IADI MEETINGS, WORKSHOPS AND OTHER MATTERS

Officers of the Corporation attended 5 in-person meetings and conferences organised by the IADI, including the IADI 20th Anniversary International Conference held during September 6-7, 2022 and the 75th Executive Council meeting held during February 21-24, 2023 at Basel. Officers of the Corporation also attended several virtual workshops and webinars conducted by IADI. In addition, the Corporation participated in the IADI Survey on IFRS 17. Material for APRC and other meetings for the Executive Council Committee was reviewed and comments forwarded. IADI Questionnaire on External Relations was submitted. Annual Report 2021-22 of the Corporation was circulated among the

members of the IADI. Liaison work related to IADI was attended to.

V.10.2 ASIA PACIFIC REGIONAL COMMITTEE OF IADI

A Bilateral meeting was held with Governor, Deposit Insurance Corporation of Japan on June 14, 2022 to discuss issues to be covered at the APRC Annual Meeting and exchange information on recent developments on deposit insurance and resolution in respective jurisdictions. One senior Officer was nominated as a member of the APRC Task Force on Strategic Priorities and Action Plan.

V.11 AUDITORS

In terms of Section 29 (1) of the DICGC Act, 1961, M/s NBS & Co., Chartered Accountants were appointed as Statutory Auditors of the Corporation for the year 2022-23 with the approval of the RBI.

For and on behalf of Board of Directors.

Deposit Insurance and Credit guarantee Corporation

Mumbai
June 21, 2023


(M D Patra)
Chairman

**APPENDIX TABLE 1: BANKS UNDER THE DEPOSIT INSURANCE -
PROGRESS SINCE INCEPTION**

Year/ Period	At the beginning of the period	Registered during the period	De-registered during the year / period where Corporation's liability			At the end of the period (2+3-6)
			was attracted	was not attracted	Total (4+5)	
(1)	(2)	(3)	(4)	(5)	(6)	(7)
2022-23	2,040	0	9	5	14	2,026
2021-22	2,058	3	11	10	21	2,040
2020-21	2,067	2	6	5	11	2,058
2019-20	2,098	6	0	37	37	2,067
2018-19	2,109	8	4	15	19	2,098
2017-18	2,125	8	7	17	24	2,109
2016-17	2,127	13	5	10	15	2,125
2015-16	2,129	6	3	5	8	2,127
2014-15	2,145	5	14	7	21	2,129
2013-14	2,167	7	16	13	29	2,145
2012-13	2,199	12	12	32	44	2,167
2011-12	2,217	7	11	14	25	2,199
2010-11	2,249	3	22	13	35	2,217
2009-10	2,307	10	26	42	68	2,249
2008-09	2,356	13	33	29	62	2,307
2007-08	2,392	10	18	28	46	2,356
2006-07	2,531	46	24	161	185	2,392
2005-06	2,547	3	17	2	19	2,531
2004-05	2,595	3	47	4	51	2,547
2003-04	2,629	9	39	4	43	2,595
2002-03	2,715	10	29	7	36	2,629*
2001-02	2,728	15	18	10	28	2,715
2000-01	2,676	62	9	1	10	2,728
1999-2000	2,583	103	8	2	10	2,676
1998-99	2,438	149	4	0	4	2,583
1997-98	2,296	145	1	2	3	2,438
1996-97	2,122	176	1	1	2	2,296
1995-96	2,025	99	1	1	2	2,122
1994-95	1,990	36	0	1	1	2,025
1993-94	1,931	63	1	3	4	1,990
1992-93	1,931	3	2	1	3	1,931
1991-92	1,922	14	2	3	5	1,931
1990-91	1,921	8	5	2	7	1,922
1986 to 1990	1,837	102	8	10	18	1,921
1981 to 1985	1,582	280	8	17	25	1,837
1976 to 1980	611	995	9	15	24	1,582
1971 to 1975	83	544	0	16	16	611
1966 to 1970	109	1	5	22	27	83
1963 to 1965	276	1	7	161	168	109
1962	287	0	2	9	11	276

* Net of 60 banks deregistered in past years, but not reckoned in the respective years.

APPENDIX TABLE 2-A: INSURED BANKS - CATEGORY-WISE

Year (as at end March)	No. of Insured Banks				
	Commercial Banks	RRBs	LABs	Co-operative Banks	Total
2022-23	94	43	2	1,887	2,026
2021-22	96	43	2	1,899	2,040
2020-21	94	43	2	1,919	2,058
2019-20	96	45	3	1,923	2,067
2018-19	103	51	3	1,941	2,098

RRBs: Regional Rural Banks; LABs: Local Area Banks

APPENDIX TABLE 2-B: INSURED CO-OPERATIVE BANKS – STATE - WISE

(as at end March 2023)

Sr. No.	State / UT	Apex	Central	Primary	Total
States					
1.	Andhra Pradesh	1	22	46	69
2.	Assam	1	-	8	9
3.	Arunachal Pradesh	1	-	-	1
4.	Bihar	1	23	4	28
5.	Chhattisgarh	1	6	12	19
6.	Goa	1	-	4	5
7.	Gujarat	1	18	213	232
8.	Haryana	1	19	7	27
9.	Himachal Pradesh	1	2	5	8
10.	Jharkhand	1	1	1	3
11.	Karnataka	1	21	256	278
12.	Kerala	1	1	60	62
13.	Madhya Pradesh	1	38	47	86
14.	Maharashtra	1	31	476	508
15.	Manipur	1	-	3	4
16.	Meghalaya	1	-	3	4
17.	Mizoram	1	-	1	2
18.	Nagaland	1	-	-	1
19.	Odisha	1	17	9	27
20.	Punjab	1	20	4	25
21.	Rajasthan	1	29	35	65
22.	Sikkim	1	-	1	2
23.	Tamil Nadu	1	24	129	154
24.	Telangana	1	-	51	52
25.	Tripura	1	-	1	2
26.	Uttar Pradesh	1	50	60	111
27.	Uttarakhand	1	10	5	16
28.	West Bengal	1	17	42	60
All States		28	349	1,483	1,860
Union Territories					
1.	Andaman & Nicobar Islands	1	-	-	1
2.	Chandigarh	1	-	-	1
3.	Jammu & Kashmir	1	3	4	8
4.	NCT Delhi	1	-	14	15
5.	Puducherry	1	-	1	2
All Union Territories		5	3	19	27
All India		33	352	1,502	1,887

APPENDIX TABLE 3: BANKS REGISTERED / DE-REGISTERED DURING 2022-23

A. REGISTERED (0)

Bank Type	Category / State	Sr. No.	Name of the Bank
-	-	-	-

B. DE-REGISTERED (14)

Bank Type	Category / State	Sr. No.	Name of the Bank
Commercial Banks (2)	Foreign Bank	1	Abu Dhabi Commercial Bank Ltd.
		2	Krung Thai Bank PCL
Co-operative Banks (12)	Madhya Pradesh	1	Garha Co-operative Bank Ltd.
	Gujarat	1	Kutch Co-operative Bank Ltd. (Merged with Bhuj Mercantile Co-operative Bank Ltd.)
	Karnataka	1	Akkamahadevi Mahila Sahakari Bank Niyamitha (Merged with Dr. Appasaheb Urf Sare Patil Jaysingpur Udgaon Sahakari Bank Ltd.)
		2	Mudhol Co-operative Bank Ltd.
		3	Millath Co-operative Bank Ltd.
		4	Deccan Urban Co-operative Bank Ltd.
	Maharashtra	1	Shri Anand Co-operative Bank Ltd.
		2	Laxmi Co-operative Bank Ltd.
		3	Seva Vikas Co-operative Bank Ltd.
		4	Rupee Co-operative Bank Ltd.
		5	Shree Sharada Sahakari Bank Ltd. (Merged with Cosmos Co-operative Bank Ltd.)
		6	Babaji Date Mahila Sahakari Bank Ltd.

APPENDIX TABLE 4: DEPOSIT PROTECTION COVERAGE: SINCE INCEPTION

Year	Fully Protected Accounts (number in crore)*	Total Accounts (number in crore)	% of Fully Protected Accounts to Total Accounts	Insured Deposits* (in ₹ crore)	Assessable Deposits (in ₹ crore)	% of Insured Deposits to Total Deposits
(1)	(2)	(3)	(4)	(5)	(6)	(7)
2022-23	294.5	300.1	98.1	83,89,470	1,81,14,550	46.3
2021-22	256.7	262.2	97.9	81,10,431	1,65,49,630	49.0
2020-21	247.8	252.6	98.1	76,21,251	1,49,67,770	50.9
2019-20	216.1	235.0	92.0	36,96,100	1,34,88,910	27.4
2018-19	200.0	217.4	92.0	33,70,000	1,20,05,100	28.1
2017-18	177.5	194.1	91.4	32,75,300	1,12,02,000	29.2
2016-17	173.7	188.5	92.1	30,50,900	1,03,53,100	29.5
2015-16	155.3	168.1	92.3	28,26,400	94,05,300	30.1
2014-15	134.5	145.6	92.3	26,06,794	84,75,154	30.8
2013-14	126.7	137.0	92.4	23,79,152	76,16,640	31.2
2012-13	139.3	148.2	94.0	21,58,365	66,21,060	32.6
2011-12	99.6	107.3	92.8	19,04,300	57,67,400	33.0
2010-11	97.7	105.2	92.9	17,35,800	49,52,427	35.1
2009-10	126.7	142.4	89.0	16,82,397	45,87,967	36.7
2008-09	120.4	134.9	89.3	19,08,951	33,98,565	56.2
2007-08	96.2	103.9	92.6	18,05,081	29,84,800	60.5
2006-07	68.3	71.7	95.3	13,72,597	23,44,351	58.5
2005-06	50.6	53.7	94.1	10,52,988	17,90,919	58.8
2004-05	62.0	65.0	95.4	9,91,365	16,19,815	61.2
2003-04	51.9	54.4	95.4	8,70,940	13,18,268	66.1
2002-03	57.8	60.0	96.3	8,28,885	12,13,163	68.3
2001-02	46.4	48.2	96.4	6,74,051	9,68,752	69.6
2000-01	43.2	44.6	96.9	5,72,434	8,06,260	71.0
1999-00	43.0	44.2	97.4	4,98,558	7,04,068	70.8
1998-99	45.4	46.4	97.9	4,39,609	6,09,962	72.1
1997-98	37.1	41.1	90.4	3,70,531	4,92,280	75.3
1996-97	42.7	43.5	98.2	3,37,671	4,50,674	74.9
1995-96	48.2	48.7	99.0	2,95,575	3,92,072	75.4
1994-95	49.6	49.9	99.2	2,66,747	3,64,058	73.3
1993-94	35.0	35.3	99.1	1,68,405	2,49,034	67.6
1992-93	34.0	35.4	95.8	1,64,527	2,44,375	67.3
1991-92	31.7	32.9	96.4	1,27,925	1,86,307	68.7
1990-91	29.8	30.9	96.5	1,09,316	1,56,892	69.7
1962	0.6	0.7	78.5	392	1,694	23.1

* Number of accounts with balance not exceeding ₹1,500 from January 1, 1962 onwards, ₹5,000 from January 1, 1968 onwards, ₹10,000 from April 1, 1970 onwards, ₹20,000 from January 1, 1976 onwards, ₹30,000 from July 1, 1980 onwards, ₹1,00,000 from May 1, 1993 onwards and ₹5,00,000 from February 4, 2020 onwards.

Notes : 1. Data from 2009-10 as per new reporting format.

2. Deposit insurance cover increased from ₹1 lakh to ₹5 lakh with effect from February 4, 2020. As the deposit insurance returns data pertain to September 30, 2019 did not have granular information above ₹3,00,000, insured deposits and number of fully protected accounts estimated as ₹68,71,500 crore and 231 crore, respectively, for deposit insurance cover of ₹5 lakh for the year 2019-20. As a result fully protected accounts to total accounts ratio is increased from 92.0% to 98.3% and Insured deposits to total deposits ratio also changed from 27.4% to 50.9%.

APPENDIX TABLE 5: BANK WISE CATEGORY - INSURED DEPOSITS

Year	Bank Groups	No. of Insured Banks	Insured Deposits (₹ crore) *	Assessable Deposits (₹ crore) *	% of Insured Deposits to Assessable Deposits	
(1)	(2)	(3)	(4)	(5)	(6)	
2022-23	I. Commercial Banks (i to vii)	139	77,00,667	1,70,53,688	45.2	
	i) Public Sector Banks	12	51,32,083	1,00,01,096	51.3	
	ii) Private Sector Banks	21	20,11,253	54,94,669	36.6	
	iii) Foreign Banks	43	63,387	8,85,929	7.2	
	iv) Small Finance Banks	12	56,129	1,39,142	40.3	
	v) Payment Banks	6	9,791	9,842	99.5	
	vi) Regional Rural Banks	43	4,27,216	5,21,921	81.9	
	vii) Local Area Banks	2	808	1,089	74.2	
	II. Cooperative Banks (i to iii)	1,887	6,88,803	10,60,862	64.9	
	i) Urban Cooperative Banks	1,502	3,62,101	5,21,203	69.5	
	ii) State Cooperative Banks	33	62,256	1,36,208	45.7	
	iii) District Central Cooperative Banks	352	2,64,446	4,03,451	65.5	
	Total (I+II)	2,026	83,89,470	1,81,14,550	46.3	
	2021-22	I. Commercial Banks (i to vii)	141	74,21,789	1,55,14,476	47.8
		i) Public Sector Banks	12	50,05,209	92,53,975	54.1
ii) Private Sector Banks		21	18,70,980	48,60,092	38.5	
iii) Foreign Banks		45	86,728	8,00,107	10.8	
iv) Small Finance Banks		12	43,113	1,00,066	43.1	
v) Payment Banks		6	6,265	6,289	99.6	
vi) Regional Rural Banks		43	4,08,744	4,92,966	82.9	
vii) Local Area Banks		2	750	981	76.4	
II. Cooperative Banks (i to iii)		1,899	6,88,642	10,35,154	66.5	
i) Urban Cooperative Banks		1,514	3,74,965	5,26,366	71.2	
ii) State Cooperative Banks		33	60,862	1,32,048	46.1	
iii) District Central Cooperative Banks		352	2,52,815	3,76,739	67.1	
Total (I+II)		2,040	81,10,431	1,65,49,630	49.0	

* Data pertaining to insured deposits and assessable deposits are as on September 30 of previous financial half-year.

Note: The insured deposits to assessable deposits ratio may not tally due to rounding off.

**APPENDIX TABLE 6: DEPOSIT INSURANCE CLAIMS SETTLED DURING 2022-23
(Liquidated/Merged Banks)**

Sr. No.	Name of the Bank	Main Claim/ Supplementary Claim	No. of depositors	Claim amount (₹ Crore)
(1)	(2)	(3)	(4)	(5)
Co-operative Banks				
Maharashtra (7)				
1	Karad Janata Sahakari Bank Ltd	Supplementary	4,662	18.43
2	Shivam Sahakari Bank Ltd	Supplementary	54	0.30
3	Shivajirao Bhosale SBL	Supplementary	275	2.19
4	Karnala NSBL	Supplementary	317	3.66
5	PMC Bank Ltd	Supplementary	20,756	59.29
6	Navodaya Urban Co-op Bank Ltd	Supplementary	396	1.92
7	CKP Cooperative Bank Ltd	Supplementary	2,180	12.52
Total (Maharashtra)		Supplementary (7)	28,640	98.31
West Bengal (1)				
1	Kasundia Co-op Bank Ltd	Supplementary	93	0.42
Total (West Bengal)		Supplementary (1)	93	0.42
Rajasthan (2)				
1	Bhilwara Mahila UCBL, Rajasthan	Supplementary	179	0.48
2	Alwar Urban Co-op Bank Ltd	Supplementary	261	0.65
Total (Rajasthan)		Supplementary (1)	440	1.13
Goa (1)				
1	Mapusa UCBL	Supplementary	922	5.92
Total (Goa)		Supplementary (1)	922	5.92
Total (All States)		Supplementary (11)	30,095	105.77

**APPENDIX TABLE 6A: DEPOSIT INSURANCE CLAIMS SETTLED DURING 2022-23
(Banks under All Inclusive Directions (AID))**

Sr. No.	Name of the Bank	Main Claim/ Supplementary Claim	No. of depositors	Amount of Claims (₹ crore)
(1)	(2)	(3)	(4)	(5)
Co-operative Banks				
Maharashtra				
1	Shri Anand CBL Ltd	Supplementary	40	0.08
2	Maratha SBL	Supplementary	484	3.07
3	City CBL	Supplementary	20	0.52
4	Padmashri Vitthalrao Vikhe Patil CBL	Supplementary	78	1.22
5	Kapol CBL	Supplementary	3,339	18.84
6	The Seva Vikas CBL	Supplementary	NA	1.08
7	Babaji Date Mahila SBL	Supplementary	4,354	41.03
8	Laxmi CBL	Supplementary	4,160	0.99
9	Malkapur UCBL	Supplementary	1,711	18.82
10	Nagar UCBL	Supplementary	7,807	113.14
11	Dwarkadas Mantri NSBL	Main	2,834	44.92
12	Shankarrao Pujari Nutan SBL	Main	4,121	41.61
13	Harihareshwar SBL	Main	4,208	57.24
14	Sangli SBL	Main	1,492	28.67
15	Saibaba Janta SBL	Main	1,019	18.83
16	Jayprakash Narayan NSBL	Main	1,187	22.20
17	Nashik Zilla Girna SBL	Main	1,353	16.27
Total (Maharashtra)		Main (7) & Supplementary (10)	38,207	428.54
Karnataka				
1	Deccan UCBL	Supplementary	NA	0.07
2	Millath CBL	Supplementary	101	0.61
3	Shri Guru Raghavendra SBN	Supplementary	99	3.49
4	Shushruti Souharda SBN	Main	1,821	54.16
5	Sri Sharda Mahila CBL	Main	530	12.95
6	Sri Mallikarjuna Pattana SBL	Main	510	5.89
Total (Karnataka)		Main (3) & Supplementary (3)	3,061	77.17
Rajasthan				
1	Sikar UCBL	Supplementary	185	1.99
2	Sumerpur Mercantile UCBL	Main	3,714	44.32
Total (Rajasthan)		Main (1) & Supplementary (1)	3,899	46.31
Uttar Pradesh				
1	The Indian Mercantile UCBL	Supplementary	136	2.91
Total (Uttar Pradesh)		Supplementary (1)	136	2.91
Kerala				
1	Thodupuzha Urban CBL	Main	3,735	85.14
Total (Kerala)		Main (1)	3,735	85.14
Andhra Pradesh				
1	Durga Cooperative UBL	Main	290	9.84
Total (Andhra Pradesh)		Main (1)	290	9.84
Total (All States)		Main (13) & Supplementary (15)	49,328	649.92

Note: The Corporation has received a refund of ₹ 3.91 crore which was sanctioned in terms of provisions of section 18A of the DICGC Act and was lying undisbursed at the time of deregistration of such banks consequent to cancellation of the license by RBI.

NA: Not applicable as the depositors got already counted under main claims.

**APPENDIX TABLE 7: PROVISION HELD UNDER CONTINGENT LIABILITY
(As on March 31, 2023)**

Sr. No.	Date of de-registration	Name of the Bank	Amount (₹ Crore)
A	10 years and above		
	-	-	-
	Total (A)	-	-
B	5 years and less than 10 years		
	-	-	-
	Total (B)	-	-
C	1 year and less than 5 years		
1	December 24, 2022	Subhadra Local Area Bank (U/L)*	7.75
2	January 11, 2021	United Co-Operative Bank Ltd.(U/L) Bagnan, WB#	2.23
3	February 3, 2022	Independence CBL (U/L)	2.70
4	February 16, 2022	Mantha UCBL (U/L)	26.11
5	March 2, 2022	Sarjerao Dada Naik shirala SBL (U/L)\$	22.54
	Total (C)	(5 Banks)	61.33
D	Less than 1 year		
1	June 8, 2022	Mudhol CBL	5.20
2	June 18, 2022	Millath CBL	3.54
3	July 7, 2022	Shri Anand CBL	5.45
4	August 18, 2022	Deccan UCBL	3.13
5	September 22, 2022	Laxmi CBL	16.69
6	October 10, 2022	Seva Vikas CBL	1.84
7	October 31, 2022	Rupee CBL	321.40
	Total (D)	(7 Banks)	357.25
	Grand Total (A+B+C+D)	(12 Banks)	418.58

* Liquidator not appointed as on March 31, 2022. Matter sub judice.

Claim list is yet to be received from the liquidator.

\$ The banks have since been liquidated in Q4 FY22.

Note: The Contingent liability for Garha CBL (U/L) and Babaji Date Mahila SBL (U/L) has not been booked as on March 31, 2023.

**APPENDIX TABLE 7A: PROVISION HELD UNDER CONTINGENT LIABILITY -
BANKS UNDER AID (As on March 31, 2023)**

Sr. No.	Name of the Bank	Amount (₹ Crore)
1	Shree Mahalaxmi Mercantile UCBL	46.77
2	Shimsha SBN	16.11
3	Hiriyur UCBL	3.58
4	Defence Accounts CBL	18.48
5	Shankerrao Mohite Patil CBL	63.34
6	Faiz Mercantile CBL	12.43
7	Adarsh Mahila NSBL	263.83
8	Pune Sahakari Bank Ltd.	10.34
9	Imperial UCBL	19.20
10	Musiri UCBL	2.32
11	Banaras Mercantile CBL	9.09
12	HCBL CBL	36.69
13	National Mercantile CBL	5.03
Total		507.22

Note: The due dates for furnishing the claim by the banks fall in April 2023. Hence, pending receipt of the claim list, the Corporation has maintained a contingent liability with respect to these banks as on March 31, 2023.

APPENDIX TABLE 8: INSURANCE CLAIMS SETTLED AND REPAYMENT RECEIVED - ALL BANKS LIQUIDATED /AMALGAMATED/RECONSTRUCTED UPTO MARCH 31, 2023

(Amount in ₹ thousand)

Sr. No.	Name of the Bank	No. of Depositors	Claims Settled	Repayments Received (Written off)	Balance (Col 4 - Col 5)
(1)	(2)	(3)	(4)	(5)	(6)
I	COMMERCIAL BANKS				
	i) Full repayment received (A)				
1	Bank of China, Kolkata (1963)		925.00	925.00	-
2	Cochin Nayar Bank Ltd., Trichur (1964)*		704.06	704.06	-
3	Latin Christian Bank Ltd., Ernakulam (1964)*		208.50	208.50	-
4	Shree Jadeya Shankarling Bank Ltd., Bijapur (1965)*		11.51	11.51	-
5	Bank of Behar Ltd., Patna (1970)*		4,631.66	4,631.66	-
6	National Bank of Lahore Ltd., Delhi (1970)*		968.92	968.92	-
7	Bank of Cochin Ltd., Cochin (1986)*		1,16,278.09	1,16,278.46	(0.38)
8	Miraj State Bank Ltd., Miraj (1987)*		14,659.08	14,659.08	-
9	Bank of Karad Ltd., Mumbai (1992)		3,70,000.00	3,70,000.00	-
	TOTAL 'A'		5,08,386.80	5,08,387.18	(0.38)
	ii) Repayment received in part and balance due written off (B)				
10	Unity Bank Ltd., Chennai (1963)*		253.35	137.79 (115.56)	-
11	Bank of Algapuri Ltd., Algapuri (1963)*		27.60	18.07 (9.53)	-
12	Unnao Commercial Bank Ltd., Unnao (1964)*		108.08	31.32 (76.76)	-
13	Metropolitan Co-op. Bank Ltd., Kolkata (1964)*		880.08	441.55 (438.53)	-
14	Southern Bank Ltd., Kolkata (1964)*		734.28	372.93 (361.35)	-
15	Habib Bank Ltd., Mumbai (1966)*		1,725.41	1,678.00 (47.40)	-
16	National Bank of Pakistan, Kolkata (1966)*		99.26	88.12 (11.13)	-
17	Chawla Bank Ltd., Dehradun (1969)*		18.28	14.55 (3.74)	-
18	Lakshmi Commercial Bank Ltd., Bangalore (1985)*		3,34,062.25	91,358.30 (2,42,703.95)	-
19	Parur Central Bank Ltd., North Parur, Maharashtra (1990)*		26,021.36	23,191.65 (2,829.71)	-

APPENDIX TABLE 8: (Contd.)

(Amount in ₹ thousand)

Sr. No.	Name of the Bank	No. of Depositors	Claims Settled	Repayments Received (Written off)	Balance (Col 4 - Col 5)
(1)	(2)	(3)	(4)	(5)	(6)
20	United Industrial Bank Ltd., Kolkata (1990)*		3,50,150.63	32,631.51 (3,17,519.12)	-
21	Traders Bank Ltd., Delhi (1990)*		30,633.77	27,382.20 (3,251.57)	-
22	Purbanchal Bank Ltd., Guwahati (1990)*		72,577.39	14,057.91 (58,519.48)	-
TOTAL 'B'			8,17,291.74	1,91,403.91 (6,25,887.83)	-
iii) Part repayment received (C)					
23	Hindustan Commercial Bank Ltd., Delhi (1988)*		2,19,167.10	1,05,374.96	1,13,792.14
24	Bank of Thanjavur Ltd., Thanjavur, T.N. (1990)*		1,07,836.01	1,03,755.98	4,080.04
25	Bank of Tamilnad Ltd., Tirunelveli, T.N. (1990)*		76,449.75	75,897.32	552.43
26	Sikkim Bank Ltd., Gangtok (2000)*		1,72,956.25	-	1,72,956.25
27	Benares State Bank Ltd., U.P (2002)*		10,56,442.08	5,90,557.14	4,65,884.94
TOTAL 'C'			16,32,851.19	8,75,585.40	7,57,265.80
TOTAL (A+B+C)			29,58,529.73	15,75,376.48 (6,25,887.83)	7,57,265.42
II	CO-OPERATIVE BANKS				
i) Full repayment received (D)					
1	Bombay Commercial Co-op. Bank Ltd., Mumbai (1976)		573.33	573.33	-
2	Malvan Co-op. Bank Ltd., Malvan (1977)		184.00	184.00	-
3	Bombay Peoples Co-op. Bank Ltd., Mumbai (1978)		1,072.00	1,072.00	-
4	Ramdurg Urban Co-op. Credit Bank Ltd., Ramdurg (1981)		218.99	244.99	(26.00)
5	Dadhich Sahakari Bank Ltd., Mumbai (1984)		1,837.46	1,837.46	-
6	Kurduwadi Merchants Urban Co-op. Bank Ltd., Maharashtra (1986)*		484.89	484.89	-
7	Metropolitan Co-op. Bank Ltd., Mumbai (1992)		12,500.00	12,500.00	-
8	Hindupur Co-operative Town Bank Ltd., A.P. (1996)		121.97	121.97	-
9	Bijapur Dist. Industrial Co-op Bank Ltd., Hubli, Karnataka (1996)		2,413.42	2,413.43	(0.00)

APPENDIX TABLE 8: (Contd.)

(Amount in ₹ thousand)

Sr. No.	Name of the Bank	No. of Depositors	Claims Settled	Repayments Received (Written off)	Balance (Col 4 - Col 5)
(1)	(2)	(3)	(4)	(5)	(6)
10	Dharwad Industrial Co-op. Bank Ltd., Hubli, Karnataka (1998)^		915.79	915.79	-
11	Trimoorti Sahakari Bank Ltd.,Pune, Maharashtra (1999)		28,556.47	28,556.47	-
12	Ichalkaranji Kamgar Nagarik Sahakari Bank Ltd., Maharashtra (2001)		5,068.09	5,068.09	-
13	Madhavpura Mercantile Co-op. Bank Ltd., Ahmedabad, Gujarat (2001,2013@)#)	3,160	40,15,185.54	40,15,185.54	-
14	Sri. Lakshmi Mahila Co-op. Urban Bank, (Dergd), A.P. (2002)		7,821.24	7,821.24	-
15	The Veraval Ratnakar Co-op. Bank Ltd., (Degrd), Gujarat (2002)		26,553.64	26,553.64	-
16	Nizamabad Co-operative Town Bank Ltd., A.P. (2003)		11,289.66	11,289.66	-
17	Kurnool Urban Co-operative Credit Bank Ltd., A.P. (2003)		47,432.57	47,432.57	-
18	Shri Bhagyalaxmi Co-operative Bank Ltd., Gujarat (2003)		34,033.48	34,033.48	-
19	Ahmedabad Mahila Nagrik Sah. Bank Ltd., Gujarat (2003)		33,329.35	33,331.32	(1.97)
20	Theni Co-operative Urban Bank Ltd., Tamil Nadu (2003)		33,177.94	33,177.94	-
21	Ahmedabad Urban Co-op. Bank Ltd., Gujarat (2003)		37,343.88	37,343.88	-
22	The Janata Commercial Co-op. Bank Ltd.,Ahmedabad, Gujarat (2003)		41,281.62	41,281.62	-
23	Pithapuram Co-operative Urban Bank Ltd., A.P. (2003)		7,697.97	7,697.97	-
24	Palana Sahakari Bank Ltd., Gujarat (2003)		22,952.19	22,952.19	-
25	Charotar Nagarik Sahakari Bank Ltd., Gujarat (2004)		20,65,143.58	20,65,143.58	-
26	Sholapur Merchants Co-op. Bank Ltd., Maharashtra (2005)		30,697.47	30,697.47	-
27	Vasundhara Co-op. Urban Bank Ltd.,A.P. (2005)		629.80	629.80	-
28	Sri Ganganagar Urban Co-op. Bank Ltd., Rajasthan (2005)^		4,787.55	4,787.55	(0.00)
29	Classic Co-operative Bank Ltd., Gujarat (2005)		5,725.86	5,725.86	-
30	Matar Nagrik Sahakari Bank Ltd., Gujarat (2005)		30,892.41	30,901.60	(9.20)

APPENDIX TABLE 8: (Contd.)

(Amount in ₹ thousand)

Sr. No.	Name of the Bank	No. of Depositors	Claims Settled	Repayments Received (Written off)	Balance (Col 4 - Col 5)
(1)	(2)	(3)	(4)	(5)	(6)
31	Diamond Jubilee Co-op. Bank Ltd., Surat, Gujarat (2005)^		6,06,403.31	6,06,403.31	-
32	Pragati Co-operative Bank Ltd., Gujarat (2005)		1,30,437.03	1,30,437.03	-
33	Ujvar Co-op Bank Ltd., Gujarat (2005)		15,706.37	15,706.37	-
34	Darbhanga Central Co-operative Bank Ltd., Bihar (2005)		18,999.84	18,999.84	-
35	Petlad Nagrik Sahakari Bank Ltd., Gujarat (2005)		24,741.48	24,741.48	-
36	Maharashtra Brahman Sahakari Bank Ltd., M.P. (2006)		3,04,703.46	3,04,703.46	-
37	Madurai Urban Co-operative Bank Ltd., Tamil Nadu (2006)^		2,57,956.99	2,57,956.99	-
38	Cauvery Urban Co-operative Bank., Bangalore, Karnataka (2006)		4,846.70	4,846.70	-
39	Baroda Mercantile Co-operative Bank Ltd., Gujarat (2006)		12,825.48	12,825.48	-
40	Dhansura Peoples Co-operative Bank Ltd., Gujarat (2006)		58,798.44	58,811.81	(13.36)
41	Prudential Co-operative Bank Ltd., Secunderabad, A.P. (2007)		7,55,959.06	7,55,959.06	-
42	Shriram Sahakari Bank Ltd., Nashik, Maharashtra (2007)		3,23,215.02	3,23,215.02	-
43	Yeshwant Sahakari Bank Ltd., Mumbai, Maharashtra (2007)		5,938.96	5,938.96	-
44	Shree Jamnagar Nagrik Sahakari Bank Ltd., Gujarat (2007)		11,238.00	11,238.00	-
45	Anand Urban Co-operative Bank Ltd., Gujarat (2008)	3,793	1,84,558.65	1,84,558.65	-
46	Chetak Urban Co-op Bank Ltd., Parbhani, Maharashtra (2008)^	7,240	7,442.90	7,442.90	-
47	Maratha Co-operative Bank Ltd., Hubli, Karnataka (2008)	30,483	1,85,521.69	1,85,521.69	-
48	Ichalkaranji Jivheshwar Sah. Bank Ltd., Maharashtra (2008)	2,602	24,167.12	24,167.12	-
49	Jai Lakshmi Co-operative Bank Ltd., Delhi (2008)^	16,467	1,242.00	1,242.00	-
50	Shri B. J. Khatal Janata Shahakari Bank Ltd., Maharashtra (2009)	11,542	79,008.26	79,008.26	-
51	Shree Vardhman Co-op. Bank Ltd., Bhavnagar, Gujarat (2009)	13,521	51,821.99	51,821.99	-
52	Shree Siddhi Venkatesh Sahkari Bank Ltd., Maharashtra (2009)^	1,892	20,818.79	20,818.79	-

APPENDIX TABLE 8: (Contd.)

(Amount in ₹ thousand)

Sr. No.	Name of the Bank	No. of Depositors	Claims Settled	Repayments Received (Written off)	Balance (Col 4 - Col 5)
(1)	(2)	(3)	(4)	(5)	(6)
53	Chalisgaon People Co-operative Bank Ltd., Jalgaon, Maharashtra (2009)	21,503	3,00,915.66	3,00,915.66	-
54	The Haliyal Urban Co-op Bank Ltd., Karnataka (2009)	8,684	43,375.25	43,375.25	-
55	Faizpur Janata Sahakari Bank Ltd., Maharashtra (2009)	2,803	33,463.64	33,463.64	-
56	Prantij Nagrik Sahakari Bank Ltd., Gujarat, (2010)	11,446	70,182.85	70,182.85	-
57	Citizen Co-operative Bank Ltd., Burhanpur, M.P, (2010)	27,123	2,32,261.93	2,32,261.93	-
58	Kupwad Urban Cooperative Bank Ltd., Maharashtra, (2010)	12,948	1,14,105.43	1,14,105.43	-
59	Rahuri Peoples Co-operative Bank Ltd., Maharashtra, (2010)	13,833	1,67,648.97	1,67,648.97	-
60	Sri Chamaraja Co-operative Bank Ltd., Karnataka, (2011)	174	179.27	179.27	-
61	Chopda Urban Co-op. Bank Ltd., Maharashtra (2012)	10,264	71,269.83	71,269.83	-
62	Shri Balaji Co-op. Bank Ltd., Maharashtra (2012)^	927	9,476.72	9,476.72	-
63	Memon Co-op. Bank Ltd., Maharashtra (2012)*	85,990	2,37,520.12	2,37,520.12	-
64	Bhusawal Peoples Co-op. Bank Ltd., Maharashtra (2012)	12,203	1,01,677.83	1,01,705.75	(27.93)
65	Krishna Valley Co-op. Bank Ltd., Maharashtra (2013)	1,213	16,993.25	16,993.25	-
66	Abhinav Sahakari Bank Ltd., Maharashtra (2013)	12,452	25,343.98	25,343.98	-
67	Veershaiva Co-op. Bank Ltd., Maharashtra (2014)	40,373	7,27,615.26	7,27,615.26	-
68	Shree Siddivinayak Nagari Sahakari Bank Ltd., Maharashtra (2014)	20,401	1,57,616.06	1,57,616.06	-
69	The Konkan Prant Sahakari Bank Ltd., Maharashtra (2015)&	28,759	3,01,759.34	3,01,759.34	-
70	Vasavi Co-operative Urban Bank Ltd., Telengana (2015)	42,825	1,19,188.84	1,19,188.84	-
71	Municipal Co-operative Bank Ltd., Ahmedabad, Gujarat (2015)&	29,343	1,56,382.66	1,56,382.66	-
72	Vaishali Urban Co-operative Bank , Rajasthan (2015)	3,191	41,382.47	41,382.47	-
73	The Merchants Co-op Bank Ltd., Dhule, Maharashtra (MH121) (2016)	11,822	55,921.12	55,921.12	-
74	Shri Swami Samarth Urban Co-op Bank Ltd., Maharashtra (2017)	6,592	21,888.06	21,888.60	(0.54)

APPENDIX TABLE 8: (Contd.)

(Amount in ₹ thousand)

Sr. No.	Name of the Bank	No. of Depositors	Claims Settled	Repayments Received (Written off)	Balance (Col 4 - Col 5)
(1)	(2)	(3)	(4)	(5)	(6)
75	Vitthal Nagari Sahakari Bank Ltd. Latur, Maharashtra (2017)	10,912	39,755.90	39,774.48	(18.59)
76	Jamkhed Merchants CBL, Maharashtra (2020)	6,119	52,055.23	52,465.99	(410.76)
77	Mirzapur UCBL. Mirzapur, Uttar Pradesh (2018)&	15,188	71,639.96	71,639.96	-
78	The Urban CBL, Bhubaneshwar, Odisha (2018)&	6,446	1,51,659.37	1,51,659.37	-
TOTAL 'D'			1,29,17,552.73	1,29,18,061.07	(508.35)
ii) Repayment received in part and balance due written off (E)					
79	Ghatkopar Janata Co-op. Bank Ltd., Mumbai (1977)		276.50	-	-
				(276.50)	
80	Aarey Milk Colony Co-op. Bank Ltd, Mumbai (1978)		60.31	-	-
				(60.31)	
81	Ratnagiri Urban Co-op. Bank Ltd., Ratnagiri, Maharashtra (1978)*		4,642.36	1,256.95	-
				(3,385.41)	
82	Bhadravati Town Co-operative Bank Ltd., Bhadravati (1994)		26.10	-	-
				(26.10)	
83	Armoor Co-op. Bank Ltd., A.P. (2003)		708.44	527.64	-
				(180.80)	
84	The Neelagiri Co-op. Urban Bank Ltd., A.P. (2005)		2,114.71	549.18	-
				(1,565.53)	
85	Sholapur Zilla Mahila Sahakari Bank Ltd, Maharashtra (2000)		27,494.76	17,600.00	-
				(9,894.76)	
TOTAL 'E'			35,323.17	19,933.77	-
				(15,389.41)	
iii) Part repayment received (F)					
86	Vishwakarma Co-operative Bank Ltd., Mumbai, Maharashtra (1979)*		1,156.70	604.14	552.56
87	Prabhadevi Janata Sahakari Bank Ltd., Mumbai, Maharashtra (1979)*		701.51	412.14	289.37
88	Kalavihar Co-operative Bank Ltd., Mumbai, Maharashtra (1979)*		1,317.25	335.53	981.72
89	Vysya Co-operative Bank Ltd., Bangalore, Karnataka (1982)*		9,130.83	1,294.66	7,836.17
90	Kollur Parvati Co-op. Bank Ltd., Kollur, A.P. (1985)		1,395.93	707.86	688.08
91	Adarsh Co-operative Bank Ltd., Mysore, Karnataka (1985)		274.30	65.50	208.80

APPENDIX TABLE 8: (Contd.)

(Amount in ₹ thousand)

Sr. No.	Name of the Bank	No. of Depositors	Claims Settled	Repayments Received (Written off)	Balance (Col 4 - Col 5)
(1)	(2)	(3)	(4)	(5)	(6)
92	Gadag Urban Co-op. Bank Ltd., Karnataka (1986)		2,285.04	1,341.05	943.99
93	Manihal Urban Co-operative Bank Ltd., Karnataka (1987)		961.85	227.60	734.25
94	Hind Urban Co-operative Bank Ltd., Lucknow, U.P. (1988)		1,095.23	-	1,095.23
95	Yellamanchilli Co-operative Urban Bank Ltd., A.P. (1990)		436.10	51.62	384.48
96	Vasavi Co-operative Urban Bank Ltd., Gurzala, A.P. (1991)		388.82	48.56	340.26
97	Kundara Co-operative Bank Ltd., Kerala (1991)		1,736.62	963.02	773.59
98	Manoli Shri Panchligeshwar Co-operative Urban Bank Ltd., Karnataka (1991)		1,744.13	1,139.44	604.69
99	Sardar Nagarik Sahakari Bank Ltd., Baroda, Gujarat (1991)		7,485.62	1,944.01	5,541.60
100	Belgaum Muslim Co-op. Bank Ltd., Karnataka (1992)*		3,710.54	273.78	3,436.76
101	Bhiloda Nagarik Sahakari Bank Ltd., Gujarat (1994)		1,983.68	103.04	1,880.64
102	Citizens Urban Co-operative Bank Ltd., Indore, M.P (1994)		22,020.57	2,227.77	19,792.80
103	Chetana Co-operative Bank Ltd., Mumbai, Maharashtra (1995)		87,548.52	758.00	86,790.52
104	Peoples Co-operative Bank Ltd., Ichalkaranji, Maharashtra (1996)		36,545.52	29,279.79	7,265.73
105	Swastik Janata Co-op. Bank Ltd., Mumbai, Maharashtra (1998)		22,662.97	7,300.00	15,362.97
106	Kolhapur Zilha Janata Sahakari Bank Ltd., Mumbai, Maharashtra (1998)		80,117.45	-	80,117.45
107	Dadar Janata Sahakari Bank Ltd., Mumbai, Maharashtra (1999)		51,803.37	49,313.08	2,490.29
108	Vinkar Sahakari Bank Ltd., Mumbai, Maharashtra (1999)		18,067.90	14,148.71	3,919.19
109	Awami Mercantile Co-operative Bank Ltd., Mumbai, Maharashtra (2000)		46,239.88	5,500.00	40,739.88
110	Ravikiran Urban Co-op. Bank Ltd., Mumbai, Maharashtra (2000)		62,293.89	260.58	62,033.31
111	Gudur Co-op. Urban Bank Ltd., A.P. (2000)		6,736.99	964.46	5,772.53
112	Anakapalle Co-operative Urban Bank Ltd., A.P. (2000)		2,447.07	137.15	2,309.92
113	Indira Sahakari Bank Ltd., Mumbai, Maharashtra (2000)		1,57,012.94	59,783.98	97,228.95

APPENDIX TABLE 8: (Contd.)

(Amount in ₹ thousand)

Sr. No.	Name of the Bank	No. of Depositors	Claims Settled	Repayments Received (Written off)	Balance (Col 4 - Col 5)
(1)	(2)	(3)	(4)	(5)	(6)
114	Nandgaon Merchants Co-operative Bank Ltd., Maharashtra (2000)		2,242.01	-	2,242.01
115	Siddharth Sahakari Bank Ltd., Jalgaon, Maharashtra (2000)		5,398.65	1,100.00	4,298.65
116	The Sami Taluka Nagrik Sah. Bank Ltd., Gujarat (2000)		2,017.30	-	2,017.30
117	Ahilyadevi Mahila Nagrik Sahakari, Kalamnuri, Maharashtra (2001)		1,696.09	0.24	1,695.85
118	Nagrik Sahakari Bank Ltd. Sagar., M.P. (2001)		7,013.59	1,000.00	6,013.59
119	Indira Sahakari Bank Ltd., Aurangabad, Maharashtra (2001)		21,862.77	465.72	21,397.05
120	Nagrik Co-op. Commercial Bank Maryadit, Bilaspur, M.P. (2001)		26,135.83	15,704.50	10,431.33
121	Parishad Co-op. Bank Ltd., New Delhi (2001)		3,946.61	3,939.70	6.91
122	Krushni Co-operative Urban Bank Ltd., Secunderabad, A.P. (2001)		2,32,429.22	73,116.30	1,59,312.92
123	Sahyog Co-operative Bank Ltd., Ahmedabad, Gujarat (2002)		30,168.26	12,765.43	17,402.83
124	Jabalpur Nagrik Sahakari Bank Ltd., (Dergd), M.P. (2002)		19,486.49	15,071.90	4,414.59
125	Shree Laxmi Co-op. Bank Ltd., Ahmedabad, Gujarat (2002)		1,40,667.57	62,046.41	78,621.16
126	Maratha Market Peoples Co-op. Bank Ltd., Mumbai, Maharashtra (2002)		37,959.73	0.01	37,959.73
127	Latur Peoples Co-operative Bank Ltd., (Dergd), Maharashtra (2002)		3,048.95	302.00	2,746.95
128	Friends Co-operative Bank Ltd., Mumbai, Maharashtra (2002)		48,456.66	147.03	48,309.63
129	Bhagyanagar Co-operative Urban Bank Ltd. Drgd, A.P. (2002)		9,697.12	9,363.62	333.50
130	Aska Co-operative Urban Bank Ltd., (Dergd), Orissa (2002)		7,032.61	3.32	7,029.29
131	Shree Veraval Vibhagiya Nagrik Sah. Bank(Dergd), Gujarat (2002)		25,866.18	8,400.00	17,466.18
132	Sravya Co op. Bank Ltd., A.P. (2002)		74,426.82	2,421.29	72,005.53
133	Majoor Sahakari Bank Ltd., Ahmedabad, Gujarat (2002)		14,779.44	427.30	14,352.14
134	Meera Bhainder Co-op. Bank Ltd, (Dergd), Maharashtra (2003)		22,448.41	4.16	22,444.25
135	Shree Labh Co-op. Bank Ltd., Mumbai, Maharashtra (2003)		47,507.25	342.72	47,164.53

APPENDIX TABLE 8: (Contd.)

(Amount in ₹ thousand)

Sr. No.	Name of the Bank	No. of Depositors	Claims Settled	Repayments Received (Written off)	Balance (Col 4 - Col 5)
(1)	(2)	(3)	(4)	(5)	(6)
136	Khed Urban Co-operative Bank Ltd., Maharashtra (2003)		46,368.34	1,028.84	45,339.50
137	Janta Sahakari Bank Maryadit., Dewas, M.P. (2003)		71,741.71	68,141.14	3,600.57
138	The Megacity Co-op. Urban Bank Ltd., A.P. (2003)		16,197.58	14,678.15	1,519.43
139	Yamuna Nagar Urban Co-op. Bank Ltd., Hariyana (2003)		30,046.64	3,099.50	26,947.14
140	Praja Co-op. Urban Bank Ltd., A.P. (2003)		9,254.48	8,614.31	640.17
141	Charminar Co-op. Urban Bank Ltd., A.P. (2003)#		14,32,344.30	9,46,695.05	4,85,649.26
142	Rajampet Co-operative Town Bank Ltd., A.P. (2003)		16,345.12	7,760.00	8,585.12
143	Aryan Co-op Urban Bank Ltd., A.P. (2003)		46,781.03	43,649.54	3,131.50
144	The First City Co-op. Urban Bank Ltd., A.P. (2003)		12,873.23	11,243.66	1,629.57
145	Kalwa Belapur Sahakari Bank Ltd., Maharashtra (2003)		48,880.14	47.91	48,832.23
146	The Mandsaur Commercial Co-op. Bank Ltd., M.P. (2003)		1,41,139.81	1,40,798.15	341.65
147	Mother Theresa Hyderabad Co-op. Urban Bank., A.P. (2003)		57,245.59	9,702.80	47,542.79
148	Dhana Co op Urban Bank Ltd., A.P. (2003)		23,855.34	-	23,855.34
149	The Star Co-op. Urban Bank Ltd., A.P. (2003)		2,626.79	-	2,626.79
150	Manikanta Co-op. Urban Bank Ltd., A.P. (2003)		21,677.67	17,300.00	4,377.67
151	Bhavnagar Welfare Co-operative Bank Ltd., Gujarat (2003)		35,508.21	18,626.44	16,881.77
152	Navodaya Sahakari Bank Ltd., Karnataka (2003)		22,272.99	3,038.47	19,234.52
153	Shree Adinath Sahakari Bank Ltd., Maharashtra (2003)		42,971.17	40,729.41	2,241.76
154	Santram Co-operative Bank Ltd., Gujarat (2003)		1,15,872.42	27,318.21	88,554.21
155	Nayaka Mercantile Co-op Bank Ltd., Gujarat (2004)		25,531.20	-	25,531.20
156	General Co-operative Bank Ltd., Gujarat (2004)		7,15,200.69	4,25,756.90	2,89,443.79
157	Western Co-operative Bank Ltd., Mumbai, Maharashtra (2004)		44,086.21	82.94	44,003.27
158	Pratibha Mahila Sahakari Bank Ltd., Jalgaon, Maharashtra (2004)		34,192.33	26,848.87	7,343.46

APPENDIX TABLE 8: (Contd.)

(Amount in ₹ thousand)

Sr. No.	Name of the Bank	No. of Depositors	Claims Settled	Repayments Received (Written off)	Balance (Col 4 - Col 5)
(1)	(2)	(3)	(4)	(5)	(6)
159	Visnagar Nagarik Sahakari Bank Ltd.,Gujarat (2004)		38,46,162.46	32,48,868.42	5,97,294.04
160	Narasaraopet Co-op. Urban Bank Ltd., A.P. (2004)		1,794.45	164.60	1,629.85
161	Bhanjanagar Co-operative Urban Bank Ltd., Orissa (2004)		9,799.51	-	9,799.51
162	The Sai Co-op. Urban Bank Ltd., A.P. (2004)		10,170.18	9,470.18	700.00
163	The Kalyan Co-op Bank Ltd., A.P. (2005)		13,509.83	4,423.72	9,086.10
164	Trinity Co-op. Urban Bank Ltd., A.P. (2005)		19,306.12	6,600.08	12,706.04
165	Gulbarga Urban Co-operative Bank Ltd., Karnataka (2005)		25,441.21	3,293.11	22,148.10
166	Vijaya Co-op Urban Bank Ltd., A.P. (2005)		12,224.74	11,904.01	320.73
167	Shri Satya Sai Co-op. Bank Ltd., A.P. (2005)		7,387.17	2,007.17	5,380.00
168	Sitara Co-op Urban Bank Ltd., Hyderabad, A.P. (2005)		3,741.01	4.74	3,736.27
169	Mahalaxmi Co-op Urban Bank Ltd., Hyderabad, A.P. (2005)		41,999.65	394.91	41,604.74
170	Maa Sharda Mahila Nagri Sahakari Bank Ltd., Akola, Maharashtra (2005)		13,351.57	4,512.55	8,839.02
171	Partur People's Co-operative Bank Ltd., Maharashtra (2005)		15,836.61	519.61	15,317.00
172	Sholapur District Industrial Co-op. Bank, Maharashtra (2005)		1,07,561.91	24,465.92	83,095.99
173	Baroda People's Co-operative Bank Ltd., Gujarat (2005)		5,84,048.60	4,18,791.83	1,65,256.77
174	The Co-operative Bank of Umreth Ltd., Gujarat (2005)		49,437.88	34,002.75	15,435.13
175	Shree Patni Co-operative Bank Ltd., Gujarat (2005)		86,530.52	78,227.40	8,303.13
176	Sabarmati Co-operative Bank Ltd., Gujarat (2005)		3,18,925.24	2,47,133.24	71,792.00
177	Petlad Commercial Co-op. Bank Ltd., Gujarat (2005)		74,035.72	66,870.29	7,165.43
178	Nadiad Mercantile Co-operative Bank Ltd., Gujarat (2005)		2,99,340.86	58,849.32	2,40,491.54
179	Shree Vikas Co-operative Bank Ltd., Gujarat (2005)		2,23,150.28	67,681.19	1,55,469.09
180	Textile Processors Co-op. Bank Ltd., Gujarat (2005)		53,755.25	43,070.74	10,684.52
181	Sunav Nagrik Sahakari Bank Ltd., Gujarat (2005)		17,573.42	729.55	16,843.88
182	Sanskardhani Mahila Nagrik Sahakari Bank Ltd., Jabalpur, M.P. (2005)		3,031.51	0.24	3,031.27

APPENDIX TABLE 8: (Contd.)

(Amount in ₹ thousand)

Sr. No.	Name of the Bank	No. of Depositors	Claims Settled	Repayments Received (Written off)	Balance (Col 4 - Col 5)
(1)	(2)	(3)	(4)	(5)	(6)
183	Citizen Co-operative Bank Ltd., Damoh, M.P. (2005)		8,501.09	3.72	8,497.37
184	Bellampalli Co-op. Urban Bank Ltd., A.P. (2005)		7,503.14	1,022.80	6,480.34
185	Shri Vitthal Co-operative Bank Ltd., Gujarat (2005)		80,214.81	21,649.74	58,565.07
186	Suryapur Co-op. Bank Ltd., Gujarat (2005)		5,79,896.95	55,781.74	5,24,115.21
187	Shri Sarvodaya Co-operative Bank Ltd., Gujarat (2005)		10,898.73	190.09	10,708.63
188	Raghuvanshi Co-operative Bank Ltd., Mumbai, Maharashtra (2005)		1,20,659.85	103.13	1,20,556.72
189	Aurangabad Peoples Co-op. Bank Ltd., Maharashtra (2005)		29,932.80	14,588.49	15,344.31
190	Urban Co-operative Bank Ltd. Tehri., Uttaranchal (2005)		16,479.04	3,414.34	13,064.69
191	Shreenathji Co-operative Bank Ltd., Gujarat (2005)		40,828.18	10,038.93	30,789.25
192	The Century Co-op. Bank Ltd., Surat, Gujarat (2006)		67,739.63	25,933.48	41,806.15
193	Jilla Sahakari Kendriya Bank Ltd., Raigarh, Chhattisgarh (2006)		1,81,637.44	27,645.01	1,53,992.43
194	Madhepura Supaul Central Co-op. Bank Ltd., Bihar (2006)		65,053.51	0.38	65,053.14
195	Navsari Peoples Co-op. Bank Ltd., Gujarat (2006)		3,01,592.15	2,05,852.62	95,739.53
196	Sheth Bhagwandas B. Shroff Bulsar Peoples Co-op. Bank Ltd., Valsad, Gujarat (2006)		2,66,452.45	1,81,014.17	85,438.28
197	Mitra Mandal Sahakari Bank Ltd., Indore, M.P. (2006)		1,45,661.51	1,38,413.27	7,248.24
198	Chhapra District Central Co-op. Bank Ltd., Bihar (2006)		82,529.98	3.29	82,526.70
199	Shri Vitrag Co-op. Bank Ltd., Surat, Gujarat (2006)		92,989.37	1,791.86	91,197.50
200	Shri Swaminarayan Co-op. Bank Ltd., Vadodara, Gujarat (2006)		4,34,251.94	3,37,993.29	96,258.66
201	Janta Co-operative Bank Ltd., Nadiad, Gujarat (2006)		3,23,292.67	2,16,629.70	1,06,662.97
202	Natpur Co-operative Bank Ltd., Nadiad, Gujarat (2006)		5,52,716.70	2,18,566.92	3,34,149.78
203	Metro Co-operative Bank Ltd, Surat, Gujarat (2006)		1,20,686.51	6,314.48	1,14,372.03

APPENDIX TABLE 8: (Contd.)

(Amount in ₹ thousand)

Sr. No.	Name of the Bank	No. of Depositors	Claims Settled	Repayments Received (Written off)	Balance (Col 4 - Col 5)
(1)	(2)	(3)	(4)	(5)	(6)
204	The Royale Co-op. Bank Ltd., Surat, Gujarat (2006)		91,577.38	1,216.11	90,361.26
205	Jai Hind Co-operative Bank Ltd., Mumbai, Maharashtra (2006)		1,18,895.88	1,08,619.17	10,276.71
206	Karnataka Contractors Sah. Bank Niyamith, Bangalore, Karnataka (2006)		29,757.64	6,157.56	23,600.09
207	Anand Peoples Co-operative Bank Ltd., Gujarat (2006)		3,71,586.77	2,17,086.25	1,54,500.52
208	Kotagiri Co-operative Urban Bank Ltd., Tamil Nadu (2006)		25,021.00	12,796.46	12,224.54
209	The Relief Mercantile Co-operative Bank Ltd., Ahmedabad, Gujarat (2006)		11,614.90	4,767.09	6,847.81
210	Dabhoi Nagrik Sahakari Bank Ltd., Gujarat (2006)		1,65,896.38	1,07,683.34	58,213.04
211	Samasta Nagar Co-operative Bank Ltd., Maharashtra (2006)		1,16,051.52	26,444.24	89,607.27
212	Lok Vikas Urban Co-operative Bank Ltd., Jaipur, Rajasthan (2007)		6,606.11	1,702.99	4,903.12
213	Nagrik Sahakari Bank Maryadit, Ratlam, M.P. (2007)		20,393.50	21.68	20,371.83
214	Sind Mercantile Co-operative Bank Ltd., Ahmedabad, Gujarat (2007)		1,03,903.73	43,449.78	60,453.95
215	Parbhani Peoples Co-operative Bank Ltd., Maharashtra (2007)		3,67,807.52	2,27,393.79	1,40,413.73
216	Purna Nagri Sahakari Bank Maryadit, Maharashtra (2007)		47,576.03	17,844.29	29,731.74
217	The Kanyaka Parameswari Mutually Aided CUBL, Kukatpally, A.P. (2007)		29,749.48	3,086.43	26,663.05
218	Mahila Nagrik Sahakari Bank Ltd., Khargone, M.P. (2007)		4,305.77	447.10	3,858.67
219	Karamsad Urban Co-operative Bank Ltd., Anand, Gujarat (2007)		1,24,758.68	1,18,066.31	6,692.37
220	Bharat Mercantile Co-op. Urban Bank Ltd., Hyderabad, A.P. (2007)		31,232.28	4,165.30	27,066.99
221	Lord Balaji Co-op. Bank Ltd., Sangli, Maharashtra (2007)		27,287.76	579.65	26,708.11
222	Vasundharam Mahila Co-op. Bank Ltd., Warangal, A.P. (2007)		2,304.21	5.61	2,298.60
223	Begusaray Urban Development Co-op Bank Ltd., Bihar (2007)		5,937.89	2.88	5,935.01
224	Datia Nagrik Sahakari Bank., M.P. (2007)		1,486.00	0.67	1,485.33
225	Adarsh Mahila Co-operative Bank Ltd., Mehsana, Gujarat (2007)		12,974.81	5,446.71	7,528.11

APPENDIX TABLE 8: (Contd.)

(Amount in ₹ thousand)

Sr. No.	Name of the Bank	No. of Depositors	Claims Settled	Repayments Received (Written off)	Balance (Col 4 - Col 5)
(1)	(2)	(3)	(4)	(5)	(6)
226	Umreth Peoples Co-operative Urban Bank Ltd., Gujarat (2007)		22,078.93	3,562.98	18,515.95
227	Sarvodaya Nagrik Sah. Bank Ltd., Visnagar, Gujarat (2007)		1,60,286.13	73,518.98	86,767.15
228	Shree Co-op. Bank Ltd., Indore, M.P. (2007)		2,476.52	78.08	2,398.43
229	Onake Obavva Mahila Co-op. Bank Ltd., Chitradurga, Karnataka (2007)		54,847.11	4,189.25	50,657.86
230	The Vikas Co-operative Bank Ltd., Ahmedabad, Gujarat (2007)		10,262.36	4,377.84	5,884.52
231	Rajkot Mahila Nagrik Sahakari Bank Ltd., Gujarat (2008)	12,600	68,218.16	28,525.83	39,692.33
232	Sevalal Urban Co-op. Bank Ltd., Mandrup, Maharashtra (2008)	678	666.32	-	666.32
233	Nagaon Urban Co-op. Bank Ltd., Assam (2008)	12,804	6,130.96	2.24	6,128.72
234	Sarvodaya Mahila Co-op. Bank Ltd., Burhanpur, M.P. (2008)	4,117	8,391.32	1,413.55	6,977.77
235	Basavakalyan Pattana Sahakari Bank Ltd., Basaganj, Karnataka (2008)	1,787	2,673.13	182.42	2,490.71
236	Indian Co-op. Development Bank Ltd., Meerut, U.P. (2008)	10,418	38,553.70	330.02	38,223.67
237	Talod Janata Sahakari Bank Ltd., Gujarat (2008)	5,718	24,522.91	2,559.37	21,963.53
238	Challakere Urban Co-op Bank Ltd., Karnataka (2008)	5,718	32,641.34	355.91	32,285.43
239	Dakor Mahila Nagrik Sahakari Bank Ltd., Gujarat (2008)	1,865	6,375.13	3,672.75	2,702.38
240	Zila Sahakari Bank Ltd., Gonda, U.P. (2008)	67,098	4,54,367.84	3,255.92	4,51,111.91
241	Shree Janta Sahkari Bank Ltd, Radhanpur, Gujarat (2008)	8,841	47,517.84	15,770.87	31,746.97
242	Parivartan Co-op. Bank Ltd., Mumbai, Maharashtra (2008)	11,350	1,84,735.21	41,653.68	1,43,081.53
243	Indira Priyadarshini Mahila Nagarik Bank Ltd., Raipur, Chhattisgarh (2008)	20,793	1,64,573.59	34,173.51	1,30,400.08
244	Kittur Rani Channamma Mahila Pattana Sah. Bank Ltd., Hubli, Karnataka (2008)	6,499	22,849.90	10,946.41	11,903.49
245	Bharuch Nagrik Sahakari Bank Ltd., Gujarat (2008)	12,779	99,668.73	65,022.95	34,645.78
246	Ravi Co-operative Bank Ltd., Kolhapur, Maharashtra (2008)	25,627	1,69,225.78	38,581.19	1,30,644.59
247	Shri Balasaheb Satbhai Merchants Co-op. Bank Ltd., Kopergaon, Maharashtra (2008)	16,723	2,68,254.02	2,30,571.10	37,682.92

APPENDIX TABLE 8: (Contd.)

(Amount in ₹ thousand)

Sr. No.	Name of the Bank	No. of Depositors	Claims Settled	Repayments Received (Written off)	Balance (Col 4 - Col 5)
(1)	(2)	(3)	(4)	(5)	(6)
248	Harugeri Urban Co-op. Bank Ltd., Karnataka (2009)	5,605	36,446.49	4,441.56	32,004.93
249	Varada Co-op. Bank Ltd., Haveri, Karjagi, Karnataka (2009)	2,613	25,242.02	8,395.14	16,846.88
250	Urban Co-operative Bank Ltd., Siddapur, Karnataka (2009)	19,141	1,12,933.28	56,063.28	56,870.00
251	Shree Kalmeshwar Urban Co-op. Bank Ltd., Hole- Alur, Karnataka (2009)	3,256	25,288.48	16,701.67	8,586.82
252	The Laxmeshwar Urban Co-op Credit Bank Ltd., Karnataka (2009)	8,512	67,660.45	66,092.12	1,568.33
253	Priyadarshini Mahila Nagrik Sahakari Bank Ltd., Latur, Maharashtra (2009)	11,129	65,792.83	36,584.83	29,208.00
254	Sree Swamy Gnanananda Yogeewara Mahila Co-op. Bank Ltd., Puttur, A.P. (2009)	679	3,625.81	501.20	3,124.61
255	Urban Co-operative Bank Ltd., Allahabad, U.P. (2009)	3,225	10,030.16	2,717.31	7,312.85
256	Firozabad Urban Co-op. Bank Ltd., U.P. (2009)	514	4,015.07	7.16	4,007.91
257	Siddapur Commercial Co-op. Bank Ltd., Gujarat (2009)	8,512	37,184.46	2,612.38	34,572.07
258	Nutan Sahakari Bank Ltd., Baroda, Gujarat (2009)	21,603	1,28,916.02	58,576.93	70,339.09
259	Bhavnagar Mercantile Co-op. Bank Ltd., Gujarat (2009)	35,466	3,74,582.84	3,13,003.72	61,579.12
260	Sant Janabai Nagri Sahakari Bank Ltd., Gangakhed, Maharashtra (2009)	16,092	1,01,964.31	35,540.70	66,423.61
261	Shri S. K. Patil Co-op. Bank Ltd., Kurundwad, Maharashtra (2009)	9,658	1,33,059.30	6,988.16	1,26,071.14
262	Dnyanopasak Urban Co-op Bank Ltd., Parbhani, Maharashtra (2009)	4,746	16,670.80	8,701.16	7,969.64
263	Achelpur Urban Co-op Bank Ltd., Maharashtra (2009)	4,641	53,127.98	32,959.23	20,168.76
264	Rohe Ashtami Sahakari Urban Bank Ltd., Rohe, Maharashtra (2009)	38,913	3,70,674.45	72,341.14	2,98,333.31
265	South Indian Co-operative Bank Ltd., Mumbai, Maharashtra (2009)*	56,817	3,59,787.81	82,703.49	2,77,084.32
266	Ankleshwar Nagrik Sahakari Bank Ltd., Gujarat (2009)	26,368	2,38,318.86	2,21,485.48	16,833.38
267	Ajit Sahakari Bank Ltd., Pune, Maharashtra (2009)	26,286	2,92,978.03	1,40,836.14	1,52,141.88
268	Hirekerur Urban Co-operative Bank Ltd., Karnataka (2009)	16,539	1,37,345.44	1,32,644.11	4,701.33

APPENDIX TABLE 8: (Contd.)

(Amount in ₹ thousand)

Sr. No.	Name of the Bank	No. of Depositors	Claims Settled	Repayments Received (Written off)	Balance (Col 4 - Col 5)
(1)	(2)	(3)	(4)	(5)	(6)
269	Shri P. K. Anna Patil Janata Sah. Bank Ltd., Nandurbar, Maharashtra (2009)	67,791	5,66,073.61	35,805.32	5,30,268.28
270	Deendayal Nagrik Sahakari Bank Ltd., Kandwa, M.P (2009)	15,453	97,541.55	37,096.16	60,445.39
271	Suvarna Nagrik Sahakari Bank Ltd., Parbhani, Maharashtra (2009)	3,923	19,584.61	14,598.15	4,986.46
272	Vasantdada Shetkari Saha. Bank Ltd., Sangli, Maharashtra (2009)	1,41,317	16,72,059.89	15,45,360.12	1,26,699.78
273	Miraj Urban Co-operative Bank Ltd., Maharashtra (2009)	32,764	4,20,307.60	3,99,698.93	20,608.67
274	Daltonganj Central Co-op. Bank Ltd., Jharkhand (2010)	23,933	93,927.24	102.33	93,824.91
275	Indira Sahakari Bank Ltd., Dhule, Maharashtra (2010)	14,598	1,25,438.26	94,084.87	31,353.39
276	The Akot Urban Co-operative Bank Ltd., Maharashtra (2010)	18,352	1,44,067.26	99,944.96	44,122.30
277	Goregaon Co-operative Urban Bank Ltd., Mumbai, Maharashtra (2010)	43,934	4,36,184.64	1,08,922.59	3,27,262.05
278	Anubhav Co-op. Bank Ltd., Basavakalyan, Karnataka (2010)	10,590	8,748.57	16.32	8,732.25
279	Yashwant Urban Co-op. Bank Ltd., Parbhani, Maharashtra (2010)	9,082	1,16,808.19	56,224.93	60,583.27
280	Surendranagar Peoples Co-op. Bank Ltd., Gujarat, (2010)	56,769	4,87,115.50	2,81,323.36	2,05,792.14
281	Bellatti Urban Co-op. Credit Bank Ltd., Karnataka, (2010)	56	58.72	0.74	57.98
282	Shri Parola Urban Co-operative Bank Ltd., Maharashtra, (2010)	5,289	51,243.07	15,721.26	35,521.81
283	Sadhana Co-op. Bank Ltd., Maharashtra, (2010)	3,386	15,629.02	5,615.61	10,013.41
284	Primary Teachers Co-op Credit Bank Ltd., Karnataka, (2010)	3,710	64,921.83	7,781.14	57,140.69
285	Shri Kamdar Sahakari Bank Ltd., Bhavnagar, Gujarat, (2010)	14,263	54,165.54	63.45	54,102.09
286	Yeshwant Sahakari Bank Ltd., Miraj, Maharashtra, (2010)	21,235	1,15,186.90	1,14,638.37	548.53
287	Urban Industrial Co-operative Bank Ltd., Assam, (2010)	2,400	4,314.54	10.00	4,304.54
288	Ahmedabad Peoples Co-op. Bank Ltd., Gujarat, (2010)	36,652	4,48,117.96	3,45,548.61	1,02,569.35
289	Surat Mahila Nagrik Sahakari Bank Ltd., Gujarat, (2010)	44,393	2,60,370.86	1,02,147.10	1,58,223.76
290	Katkol Co-operative Bank Ltd., Karnataka, (2010)	39,912	1,46,202.60	52,086.60	94,116.00

APPENDIX TABLE 8: (Contd.)

(Amount in ₹ thousand)

Sr. No.	Name of the Bank	No. of Depositors	Claims Settled	Repayments Received (Written off)	Balance (Col 4 - Col 5)
(1)	(2)	(3)	(4)	(5)	(6)
291	Shri Sinnar Vyapari Sahakari Bank Ltd., Maharashtra, (2010)	35,219	4,03,741.10	3,57,859.76	45,881.34
292	Nagpur Mahila Nagari Sahakari Bank Ltd., Maharashtra, (2010)	54,036	4,76,606.19	3,09,031.48	1,67,574.71
293	Rajlaxmi Nagari Sahakari Bank Ltd., Maharashtra, (2010)	3,424	25,845.79	20,063.13	5,782.66
294	Bahadarpur Urban Co-operative Bank Ltd., Gujarat, (2010)	4,866	49,312.44	22,552.04	26,760.39
295	Sri Sampige Siddeswara Urban Co-op Bank, Karnataka, (2010)	3,479	49,352.46	769.25	48,583.21
296	Vizianagaram Co-operative Urban Bank Ltd, A.P. (2010)	6,980	71,482.68	60,959.22	10,523.46
297	Oudh Sahakari Bank Ltd., U.P, (2010)	5,289	23,839.86	4,377.14	19,462.72
298	Annasaheb Patil Urban Co-op. Bank Ltd., Maharashtra, (2010)	6,296	27,996.78	11,425.28	16,571.50
299	Raibag Urban Co-operative Bank Ltd., Karnataka, (2010)	4,501	14,769.68	-	14,769.68
300	Champavati Urban Co-op Bank Ltd., Maharashtra, (2011)	14,811	1,45,596.66	1,33,805.66	11,791.00
301	Shri Mahesh Sahakari Bank Mydt., Maharashtra, (2011)	9,208	84,041.98	69,438.22	14,603.76
302	Rajwade Mandal People's Co-op Bank Ltd., Maharashtra, (2011)	26,422	1,33,960.02	1,00,299.93	33,660.09
303	Anyonya Co-op Bank Ltd., Gujarat, (2011)	71,262	5,91,664.24	3,04,181.07	2,87,483.17
304	Cambay Hindu Mercantile Co-op Bank Ltd., Gujarat, (2011)	9,336	86,764.47	9,683.40	77,081.07
305	Rabkavi Urban Co-op. Bank Ltd., Karnataka (2011)	10,462	67,393.38	45,288.02	22,105.36
306	Sri Mouneshwara Co-op. Bank Ltd., Karnataka (2011)	1,640	2,569.75	17.08	2,552.67
307	The Chadchan Shree Sangameshwar Urban Co-op. Bank Ltd., Karnataka (2011)	6,075	38,149.77	30,149.77	8,000.00
308	The Parmatma Ek Sewak Nagarik Sahakari Bank Ltd., Maharashtra (2011)	54,925	4,03,178.78	1,91,801.02	2,11,377.76
309	Samata Sahakari Bank Ltd., Maharashtra (2011)	33,500	4,22,834.49	50,467.79	3,72,366.70
310	Hina Shahin Nagrik Sahakari Bank Ltd., Maharashtra (2011)	9,798	1,12,964.84	1,186.06	1,11,778.78
311	Shri Laxmi Sahakari Bank Ltd., Maharashtra (2011)	2,337	35,973.20	8,067.23	27,905.97
312	Dadasaheb Dr. N M Kabre Nagarik Sahakari Bank Ltd., Maharashtra (2011)	16,324	1,99,311.58	51,833.76	1,47,477.83

APPENDIX TABLE 8: (Contd.)

(Amount in ₹ thousand)

Sr. No.	Name of the Bank	No. of Depositors	Claims Settled	Repayments Received (Written off)	Balance (Col 4 - Col 5)
(1)	(2)	(3)	(4)	(5)	(6)
313	Vidarbha Urban Co-op. Bank Ltd., Maharashtra (2011)	11,322	1,60,023.77	77,571.28	82,452.49
314	Ichalkaranji Urban Co-op. Bank Ltd., Maharashtra (2011)	43,822	5,57,696.70	4,42,870.71	1,14,825.99
315	Suvidha Mahila Nagrik Sahakari Bank Ltd., Madhya Pradesh (2011)	2,733	12,287.99	11,775.25	512.74
316	Asansol Peoples Co-op. Bank Ltd., West Bengal (2011)	1,012	4,158.75	1,155.29	3,003.46
317	Shri Jyotiba Sahakari Bank Ltd., Maharashtra (2012)	7,596	22,002.44	3,545.78	18,456.66
318	Raichur Zilla Mahila Pattan Sahakari Bank Ltd., Karnataka (2012)	6,058	11,488.33	6,947.39	4,540.94
319	The Sidhpur Nagrik Sahakari Bank Ltd., Gujarat (2012)	6,712	33,560.01	5,440.55	28,119.46
320	Siddhartha Sahakari Bank Ltd., Pune, Maharashtra (2012)	18,516	2,43,635.93	2,140.89	2,41,495.04
321	Boriavi Peoples Co-op. Bank Ltd., Gujarat (2012)	5,408	45,494.11	42,836.70	2,657.41
322	National Co-op. Bank Ltd., Andhra Pradesh (2012)	3,042	4,317.79	766.79	3,551.00
323	Bhandari Co-op. Bank Ltd., Maharashtra (2012)	42,553	5,48,927.62	5,28,927.62	20,000.00
324	Bharat Urban Co-op. Bank Ltd., Maharashtra (2012)	5,696	20,904.79	7,614.16	13,290.62
325	Indira Shramik Mahila Sahakari Bank Ltd., Maharashtra (2012)	6,958	32,042.29	24,042.29	8,000.00
326	Shree Bhadrans Mercantile Bank Ltd., Gujarat (2012)	6,599	45,780.63	43,405.89	2,374.74
327	Dhenkanal Urban Co-op. Bank Ltd., Odisha (2012)	14,925	77,806.72	23,359.16	54,447.56
328	Bhimashankar Nagari Sahakari Bank Ltd., Maharashtra (2012)	3,437	4,102.06	1,464.14	2,637.92
329	Sholapur Nagrik Audyogik Sahakari Bank Ltd., Maharashtra (2012)	64,689	4,59,890.08	3,74,890.08	85,000.00
330	Vaso Co-op. Bank Ltd., Gujarat (2012)*	34,672	72,219.38	22,835.89	49,383.49
331	Agrasen Co-op. Bank Ltd., Maharashtra (2013)*	19,631	52,967.42	7,208.00	45,759.42
332	Swami Samarth Sahakari Bank Ltd., Maharashtra (2014)	11,501	92,475.42	63,685.63	28,789.79
333	Arjun Urban Co-op. Bank Ltd., Maharashtra (2014)	3,530	61,654.61	34,801.30	26,853.31
334	Vishwakarma Nagari Sahakari Bank Mydt., Maharashtra (2014)	6,134	42,156.92	14,824.01	27,332.91

APPENDIX TABLE 8: (Contd.)

(Amount in ₹ thousand)

Sr. No.	Name of the Bank	No. of Depositors	Claims Settled	Repayments Received (Written off)	Balance (Col 4 - Col 5)
(1)	(2)	(3)	(4)	(5)	(6)
335	Silchar Urban Co-operative Bank Ltd., Assam (2014)	2,707	6,999.75	-	6,999.75
336	Gujarat Industrial Co-operative Bank Ltd., Gujarat (2014)	1,30,638	28,77,206.83	8,45,716.81	20,31,490.02
337	The Srikakulam Cooperative Urban Bank Ltd., Andhra Pradesh (2014)	7,078	10,495.79	7,935.53	2,560.26
338	Shri Shivaji Sahakari Bank Ltd., Maharashtra (2016)	14,190	77,816.31	38,211.72	39,604.59
339	Baranagar Co-op Bank Ltd., Kolkata, W.B. (2016)	19,137	1,52,079.54	59,588.31	92,491.23
340	Tandur Mahila Co-op Urban Bank Ltd., Telangana A.P (2016)	1,769	4,308.27	1,581.57	2,726.70
341	Dhanashri Mahila Sahakari Bank Ltd., Maharashtra (2017)	3,639	20,783.40	15,309.67	5,473.73
342	Rajiv Gandhi Sahakari Bank Ltd., Maharashtra (2017)	4,009	12,879.52	7,710.41	5,169.11
343	Mahatma Phule Urban Co-op Bank Ltd., Maharashtra (2017)	7,398	1,09,302.97	12,931.83	96,371.14
344	Kasundia Co-op Bank Ltd., West Bengal (2017)	21,045	2,46,373.71	1,67,801.58	78,572.13
345	Lamka Urban Co-op Bank Ltd., Manipur (2017)	317	261.65	0.00	261.65
346	Chatrapur Co-op Urban Bank Ltd., Odisha (2017)	2,025	10,385.18	8,537.44	1,847.74
347	Golaghat Urban Co-op Urban Bank Ltd., Assam (2017)	1,075	4,591.16	877.53	3,713.63
348	Pioneer Urban CBL, Lucknow, Uttar Pradesh (2019)	28,382	68,559.47	65,227.18	3,332.29
349	United Commercial Co-op Bank Ltd, Kanpur, UP (2019)	24,684	2,47,534.55	1,66,492.73	81,041.82
350	Mercantile UCBL Meerut, UP (2019)	19,087	27,434.83	7,956.74	19,478.09
351	Alwar UCBL, Rajasthan (2020)	4,216	1,07,690.90	31,044.42	76,646.47
352	Mahamedha UCBL, Uttar Pradesh (2020)	33,004	3,01,398.79	20,755.49	2,80,643.29
353	C K P Cooperative Bank Ltd, Maharashtra (2020)	50,883	32,17,834.05	23,84,576.42	8,33,257.63
354	Navodaya UCBL, Nagpur (2020)	2,125	1,53,640.88	10,000.00	1,43,640.88
355	Shree Sai UCBL, Mukhed (2020)	449	9,372.57	1,671.30	7,701.27
356	Bhilwara Mahila Urban Co-operative Bank Ltd, Rajasthan (2020)	12,723	2,96,052.00	1,86,770.00	1,09,282.00
357	Mapusa UCBL, Goa (2021)	66,062	25,46,529.22	23,94,864.80	1,51,664.42
358	Karad Janata Sahakari Bank Ltd., Maharashtra (2021)	40,415	36,21,282.31	11,81,333.72	24,39,948.59

APPENDIX TABLE 8: (Contd.)

(Amount in ₹ thousand)

Sr. No.	Name of the Bank	No. of Depositors	Claims Settled	Repayments Received (Written off)	Balance (Col 4 - Col 5)
(1)	(2)	(3)	(4)	(5)	(6)
359	Shivam Sahakari Bank Ltd., Maharashtra (2021)	3,595	30,061.61	-	30,061.61
360	Shivajirao Bhosale SBL, Maharashtra (2021)	60,798	28,98,743.94	2,45,904.82	26,52,839.12
361	Karnala NSBL, Maharashtra (2022)	38,325	37,77,117.41	-	37,77,117.41
362	Madgaum UCBL, Goa (2022)	32,221	13,60,410.47	11,48,885.93	2,11,524.55
363	PMC CBL, Maharashtra (2022) *	8,47,506	3,85,08,392.22	-	3,85,08,392.22
TOTAL 'F'			9,20,82,474.20	2,66,23,371.57	6,54,59,102.63
TOTAL (D+E+F)			10,50,35,350.10	3,95,61,366.41 (15,389.41)	6,54,58,594.28
GRAND TOTAL (A+B+C+D+E+F)			10,79,93,879.83	4,11,36,742.90 (6,41,277.24)	6,62,15,859.70

* Scheme of Amalgamation/Merger

Scheme of Reconstruction.

@ Claim settled on liquidation of the bank.

& Claims settled under Liquid fund adjustment.

^ Claims Settled under other mechanisms.

- Note:
1. The year in which original claims were settled are given in brackets.
 2. Figures in brackets under repayment column indicate amount written off up to March 31, 2023.
 3. Repayments received are inclusive of Liquid Fund Adjusted at the time of sanction and approval of claims.
 4. Number of depositors is given for claims settled from 2008 onwards.
 5. Accuracy of number of depositors ensured up to hundredth place.

**APPENDIX TABLE 8A: INSURANCE CLAIMS SETTLED AND REPAYMENT RECEIVED -
BANKS PLACED UNDER ALL-INCLUSIVE DIRECTIONS (AID) UPTO MARCH 31, 2023**

(Amount in ₹ thousand)

Sr. No.	Name of the Bank	No. of Depositors	Claims Settled	Repayments Received (Written off)	Balance (Col 4 - Col 5)
(1)	(2)	(3)	(4)	(5)	(6)
1	Mudhol CBL \$	1,155	1,66,937.15	70,000.00	96,937.15
2	Garha CBL \$	643	1,23,662.49	24,732.50	98,929.99
3	Mantha UCBL \$	28,946	4,48,883.72	-	4,48,883.72
4	Independence CBL \$	269	23,570.22	-	23,570.22
5	Deccan UCBL \$	1,759	1,29,816.98	10,000.00	1,19,816.98
6	Sikar UCBL	1,186	1,82,361.28	-	1,82,361.28
7	Peoples CBL \$	872	71,998.85	-	71,998.85
8	Shri Anand CBL \$	10,971	90,568.55	-	90,568.55
9	Maratha SBL	8,925	14,01,143.38	2,80,228.68	11,20,914.70
10	City CBL	12,563	23,09,917.07	-	23,09,917.07
11	Millath CBL \$	2,460	1,08,929.25	10,000.00	98,929.25
12	Sarjeraodada Naik Shirala SBL \$	10,888	6,81,199.86	2,50,000.00	4,31,199.86
13	Padmashri Vitthalrao Vikhe Patil CBL	290	42,799.01	8,559.80	34,239.21
14	Kapol CBL	21,573	23,01,580.76	4,60,316.15	18,41,264.61
15	Shri Gururaghavendra SBN	22,248	71,29,284.44	-	71,29,284.44
16	Adoor CBL	252	62,934.00	62,934.00	-
17	Seva Vikas CBL \$	13,344	15,12,751.64	4,54,355.79	10,58,395.85
18	Babaji Date Mahila SBL \$	18,595	29,44,731.02	69,300.00	28,75,431.02
19	Laxmi CBL \$	20,565	19,36,111.38	3,87,600.00	15,48,511.38
20	Malkapur UCBL	24,397	49,69,836.47	9,30,000.00	40,39,836.47
21	Nagar UCBL	17,269	29,48,475.49	5,89,695.10	23,58,780.39
22	Rupee CBL \$	64,024	69,98,052.69	25,34,933.90	44,63,118.79
23	The Indian Mercantile UCBL	136	29,086.32	-	29,086.32
24	Dwarkadas Mantri NSBL	2,834	4,49,243.06	-	4,49,243.06
25	Shushruti Souharda SBN, Bengaluru	1,821	5,41,574.79	-	5,41,574.79
26	Shankar Rao Pujari Nutan SBL	4,121	4,16,052.71	-	4,16,052.71
27	Harihareshwar SBL	4,208	5,72,373.06	-	5,72,373.06
28	Shri Sharada Mahila CBL	530	1,29,510.42	-	1,29,510.42
29	Sangli SBL	1,492	2,86,733.00	-	2,86,733.00
30	Sri Mallikarjuna Pattana Sahakari Bank Niyamita	510	58,897.30	-	58,897.30
31	Nashik Zilla Girna SBL	1,353	1,62,712.66	-	1,62,712.66
32	Saibaba Janta SBL	1,019	1,88,282.97	-	1,88,282.97
33	Durga Co-operative Urban Bank Ltd., Vijayawada	290	98,423.21	-	98,423.21
34	Jaiprakash Narayan NSBL, Basmatnagar	1,187	2,21,990.82	-	2,21,990.82
35	Thodupuzha Urban CBL, Kerala	3,735	8,50,855.69	-	8,50,855.69
36	Sumerpur Mercantile UCBL, Sumerpur, Pali	3,714	4,43,204.64	-	4,43,204.64
Total		3,10,144	4,10,34,486.35	61,42,655.91	3,48,91,830.44

\$ The banks have since been liquidated in Q4 FY22 after payment of claims u/s 18(A) of DICGC (Amendment) Act, 2021.

- Note:1) Repayment is to be made to the Corporation in five instalments beginning after December 31, 2022.
2) The Corporation has received a refund of ₹ 3.91 crore which was sanctioned in terms of provisions of section 18A of the DICGC Act and was lying undisbursed at the time of deregistration of such banks consequent to cancellation of the license by RBI.

APPENDIX TABLE 8B: INSURANCE CLAIMS SETTLED UNDER EXPEDITIOUS SETTLEMENT SCHEME - UPTO MARCH 31, 2023

(Amount in ₹ thousand)

Sr. No.	Name of the Bank	No. of Depositors	Claims Settled
(1)	(2)	(3)	(4)
1	Ajmer Urban Co-op Bank Ltd., Rajashtan (2016)*		3,18,602.37
2	Rajeshwar Yuvak Vikas Sahakari Bank Ltd., Maharashtra (2018)		2,946.90
3	Shri Chhatrapati UCBL, Maharashtra (2018)		27,601.00
4	Gokul UCBL Andra Pradesh/ Telangana (2019)		13,579.00
5	Bhopal Nagarik SBL, MP(2019)		84,394.67
6	Brahmawart Commercial CBL, UP (2021)	26,425	2,51,000.00
7	Ghaziabad UCBL, UP (2021)		1,16,856.00
8	Hardoi UCBL, UP (2021)	11,918	42,022.68
9	Vasantdada NSBL Osmanabad , Maharashtra (2021)		3,28,300.00
10	Bhagyodaya Friends UCBL, Maharashtra (2021)		80,463.93
11	Dr. Shivajirao Patil Nilangekar UCBL, Maharashtra (2021)		16,885.96
Total			12,82,652.51

* The claim amount is considered as repayment received.

Note: The Corporation had formulated the policy dated June 06, 2008, on expeditious settlement of claims with a view to mitigate the hardship faced by depositors due to non-submission of the claim list by liquidators of the aforementioned banks. Accordingly, after obtaining the in-principle approval of DICGC, the liquidator may settle the claims of all depositors of the bank up to the extent provided under DICGC Act out of the liquid funds available with the bank if the same are adequate to make payment to all depositors up to the limit insured by DICGC. Further, if the liquid funds are not adequate to make payment to the extent insured by DICGC to all the depositors of the bank, then payment shall be made to only such depositors who are eligible as per the DICGC Act.

4.

AUDITOR'S REPORT

Tel.: +91-22-22870588 / 0939 / 4140 / 22885229

Fax: +91-22-22884910

Email: admin@nbsandco.in

Web.: www.nbsandco.in

NBS & CO.

CHARTERED ACCOUNTANTS

14/2, Western India Building,

Sir P. M. Road, Fort,

Mumbai - 400 001.

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Deposit Insurance and Credit Guarantee Corporation

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Deposit Insurance and Credit Guarantee Corporation ("the Corporation"), which comprises the Balance Sheet as at 31st March 2023 of Deposit Insurance Fund, Credit Guarantee Fund and the General Fund, the revenue accounts and cash flow statement for the year ended of the said three funds, and summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Deposit Insurance and Credit Guarantee Corporation Act, 1961, as amended by The Deposit Insurance and Credit Guarantee Corporation (Amendment) Act, 2021 ("the Act") in the manner so required and give a true and fair view in conformity with Accounting Standards prescribed under section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India, of the state of affairs of the three funds of the Corporation as at 31st March, 2023, and its surplus and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Corporation in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.



Information Other than the Financial Statements and Auditor's Report Thereon

The Corporation's Board of Directors are responsible for the preparation of the other information. The other information comprises Report of the Board of Directors on the working of the Deposit Insurance and Credit Guarantee Corporation included in the Annual Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Corporation's Board of Directors are responsible for the matters stated in the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Corporation in accordance with the accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Corporation and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Corporation or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Corporation's financial reporting process.



Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, we are also responsible for expressing our opinion on whether the Corporation has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Corporation.
- Conclude on the appropriateness of Corporation's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Corporation to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.



NBS & CO.
CHARTERED ACCOUNTANTS
14/2, Western India Building,
Sir P. M. Road, Fort,
Mumbai - 400 001.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Corporation so far as it appears from our examination of those books.
- c) The Balance Sheet, the Revenue account and the Cash Flow Statement of the three funds dealt with by this Report are in agreement with the books of account maintained for the purpose of the preparation of the financial statements.
- d) In our opinion, the aforesaid financial statements comply with the Accounting standards specified under Section 133 of the Companies Act, 2013 wherever applicable.

Place: Mumbai

Date: June 21, 2023



For NBS & Co.
Chartered Accountants
FRN.: 110100W.

A handwritten signature in blue ink, appearing to read "Pradeep Shetty".

CA Pradeep Shetty
Partner

Membership No.: 046940
UDIN: 22046940AJNCFY5238

5.


BALANCE SHEET AND ACCOUNTS

**DEPOSIT INSURANCE AND
(Established under the Deposit Insurance
(Regulation 18-
Balance sheet as at the close
I. DEPOSIT INSURANCE FUND (DIF)**

Previous Year		LIABILITIES	Current Year	
Deposit Insurance Fund	Credit Guarantee Fund		Deposit Insurance Fund	Credit Guarantee Fund
Amount	Amount		Amount	Amount
13,97,403.00	0.00	1.Fund : (Balance at the end of the year)	12,17,447.00	0.00
		2. Surplus as per Revenue Account:		
1,17,62,903.41	54,235.83	Balance at the beginning of the year	1,32,86,843.14	57,602.72
15,23,939.73	3,366.89	Add: Transferred from Revenue Account	24,55,879.88	3,593.20
1,32,86,843.14	57,602.72	Balance at the end of the year	1,57,42,723.02	61,195.92
		3. (a) Investment Reserve		
0.00	0.00	Balance at the beginning of the year	0.00	0.00
0.00	0.00	Add: Transferred from Revenue Account	1,85,046.39	0.00
0.00	0.00	Balance at the end of the year	1,85,046.39	0.00
		(b) Investment Fluctuation Reserve		
6,31,378.18	3,462.16	Balance at the beginning of the year	6,46,145.40	3,462.16
14,767.22	0.00	Transferred from Revenue Account	43,059.01	0.00
6,46,145.40	3,462.16	Balance at the end of the year	6,89,204.41	3,462.16
20,318.85	0.00	4.Claims Intimated and Admitted But Not paid	18,084.91	0.00
0.00	0.00	5.Estimated liability in respect of claims intimated but not admitted	0.00	0.00
0.00	0.00	6.Insured Deposits in respect of Banks De-registered	0.00	0.00
4,452.61	0.00	7. Insured Deposits remaining unclaimed	4,469.55	0.00
		8. Other Liabilities		
552.88	0.00	(i) Sundry Creditors	131.57	0.00
15,75,704.48	3,255.75	(ii) Provision for Income Tax	8,40,392.50	1,208.49
19,198.25	0.00	(iii) Securities deliverable under Reverse Repo A/c Payable	1,08,221.75	0.00
135.98	0.00	(iv) Amount refundable to Banks	99.17	0.00
0.01	0.00	(v) CGST,SGST & IGST Payable	4.82	0.00
15,95,591.60	3,255.75		9,48,849.81	1,208.49
1,69,50,754.60	64,320.63	Total	1,88,05,825.09	65,866.57

As per our report of even date

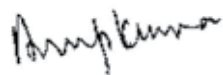
For NBS & Co.
Chartered Accountants
FRN.: 110100W.


CA Pradeep Shetty
Partner (M. No.: 46940)
June 21, 2023
UDIN: 22046940AJNCFY5238





Dr. M D Patra
Chairman


Anup Kumar
Chief General Manager


Dr. Deepak Kumar
Executive Director


S Sathish Kumar
General Manager

CREDIT GUARANTEE CORPORATION
and Credit Guarantee Corporation Act, 1961)
Form 'A')
of business on March 31, 2023
AND CREDIT GUARANTEE FUND (CGF)

(₹ in lakhs)

Previous Year					Current Year	
Deposit Insurance Fund	Credit Guarantee Fund	ASSETS			Deposit Insurance Fund	Credit Guarantee Fund
Amount	Amount				Amount	Amount
8.11	413.72	1. Balance with the Reserve Bank of India			1,656.51	15.84
0.00	0.00	2. Cash in Transit			0.00	0.00
		3. Investments in Central Government Securities (at cost)				
0.00	0.00	Treasury Bills			0.00	0.00
1,48,74,725.92	58,852.38	Dated Securities			1,73,73,783.55	63,713.32
1,48,74,725.92	58,852.38				1,73,73,783.55	63,713.32
1,44,71,139.01	57,838.75	Face Value			1,70,12,053.89	62,613.56
1,50,58,810.45	62,272.81	Market Value			1,71,88,737.16	64,918.81
2,57,786.25	842.44	4. Interest accrued on investments			3,09,569.55	910.40
		5. Other Assets				
3,134.57	0.00	(I) Sundry Debtors			0.00	0.00
17,57,829.18	4,212.09	(ii) Advance Income Tax			8,85,342.54	1,227.01
19,210.81	0.00	(iii) Reverse Repo Asset/Reverse Repo interest receivable			1,08,242.83	0.00
19,198.25	0.00	(iv) Securities purchased under Reverse Repo			1,08,221.75	0.00
20.75	0.00	(v) Service Tax/CGST/SGST/IGST receivable			167.60	0.00
18,840.76		(vi) Disputed Service Tax paid (under protest)			18,840.76	
18,18,234.32	4,212.09				11,20,815.48	1,227.01
1,69,50,754.60	64,320.63	Total			1,88,05,825.09	65,866.57



Pankaj Sharma
Director




Shaji K.V.
Director

**DEPOSIT INSURANCE AND
(Form
Revenue Account for the
I. DEPOSIT INSURANCE FUND (DIF)**

Previous Year		EXPENDITURE	Current Year	
Deposit Insurance Fund	Credit Guarantee Fund		Deposit Insurance Fund	Credit Guarantee Fund
Amount	Amount		Amount	Amount
		1. To Claims:		
8,09,381.59	0.00	(a) Paid during the year	71,251.43	0.00
2,699.99	0.00	(b) Admitted but not paid	1,692.97	0.00
		(c) Estimated liability in respect of claims intimated but not admitted		
0.00	0.00	At the end of the year		
0.00	0.00	Less: at the end of the previous year	0.00	0.00
0.00	0.00	(d) Insured Deposits in respect of banks de-registered	0.00	0.00
0.00	0.00	At the end of the year	0.00	0.00
0.00	0.00	Less: at the end of the previous year	0.00	0.00
0.00	0.00	(e) Less provision in r/o untraceable depositors written back	18.44	0.00
8,12,081.58	0.00	Net Claims	72,962.84	0.00
13,97,403.00	0.00	2.To Balance of Fund at the end of the year (as per Actuarial Valuation)	12,17,447.00	0.00
0.00	0.00	3.To Provision for diminution in value of investments credited to investment Reserves	1,85,046.39	0.00
20,56,621.27	4,499.26	To Net Surplus Carried Down	33,39,131.04	4,801.69
42,66,105.85	4,499.26	TOTAL	48,14,587.27	4,801.69
		To Provision for Taxation		
5,17,610.44	1,132.37	Current Year	8,40,392.50	1,208.49
303.88	0.00	Earlier Years - Short (Excess)	(200.35)	0.00
0.00	0.00	Deferred Tax	0.00	0.00
14,767.22	0.00	To Investment Fluctuation Reserve (IFR)	43,059.01	0.00
15,23,939.73	3,366.89	To Balance Carried to Surplus Account	24,55,879.88	3,593.20
20,56,621.27	4,499.26		33,39,131.04	4,801.69

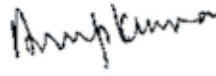
As per our report of even date

For NBS & Co.
Chartered Accountants
FRN.: 110100W.

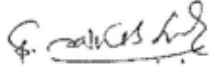

CA Pradeep Shetty
Partner (M. No.: 46940)
June 21, 2023
UDIN: 22046940AJNCFY5238




Dr. M D Patra
Chairman


Anup Kumar
Chief General Manager


Dr. Deepak Kumar
Executive Director


S Sathish Kumar
General Manager

CREDIT GUARANTEE CORPORATION**'B')****Year ended March 31, 2023****AND CREDIT GUARANTEE FUND (CGF)**

(₹ in lakhs)

Previous Year		INCOME	Current Year	
Deposit Insurance Fund	Credit Guarantee Fund		Deposit Insurance Fund	Credit Guarantee Fund
Amount	Amount		Amount	Amount
12,27,527.00	0.00	1. By Balance of Fund at the beginning of the year	13,97,403.00	0.00
19,49,081.80	0.00	2. By Deposit Insurance Premium (including interest on overdue premium)	21,38,112.99	0.00
39,894.92	0.50	3. By recoveries in respect of claims paid / settled (including interest on overdue repayment)	88,278.97	2.61
		4. By income from Investments		
10,53,530.27	4,498.76	(a) Interest on Investments	11,79,615.50	4,799.08
(8067.33)	0.00	(b) Profit (Loss) on sale / redemption of securities (Net)	1,467.72	0.00
4,139.19	0.00	c) By Reverse Repo interest income A/c	9,709.09	0.00
10,49,602.13	4,498.76		11,90,792.31	4,799.08
		5. Other Incomes		
0.00	0.00	Depreciation in value of Investments written back	0.00	0.00
42,66,105.85	4,499.26	TOTAL	48,14,587.27	4,801.69
20,56,621.27	4,499.26	By Net Surplus Brought Down	33,39,131.04	4,801.69
20,56,621.27	4,499.26		33,39,131.04	4,801.69



Pankaj Sharma
Director



Shaji K.V.
Director

**DEPOSIT INSURANCE AND
(Established under the Deposit Insurance
(Regulation 18-
Balance Sheet as at the close
II. GENERAL**

Previous Year	LIABILITIES	Current Year
Amount		Amount
5,000.00	1. Capital : Provided by Reserve Bank of India (RBI) as per Section 4 of the DICGC Act, 1961 (A wholly owned subsidiary of RBI)	5,000.00
	2. Reserves	
	A) General Reserve	
55,819.36	Balance at the beginning of the year	58,514.84
2,695.48	Surplus /(Deficit) transferred from Revenue Account	13,421.95
58,514.84		71,936.79
	B) Investment Reserve	
0.00	Balance at the beginning of the year	0.00
0.00	Transferred from Revenue account	0.00
0.00		0.00
	(C) Investment Fluctuation Reserve	
4,030.06	Balance at the beginning of the year	4,030.06
0.00	Transferred from Revenue Surplus	0.00
4,030.06		4,030.06
	3. Current Liabilities and Provisions	
201.08	Outstanding Expenses	318.04
21.46	Sundry Creditors	23.00
1,343.87	Provision for Income Tax	4,516.94
1.34	CGST & SGST Payable	1.28
1,567.75		4,859.26
69,112.64	Total	85,826.11

As per our report of even date

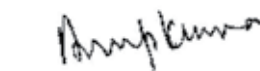
For NBS & Co.
Chartered Accountants
FRN.: 110100W.



CA Pradeep Shetty
Partner (M. No.: 46940)
Mumbai
June 21, 2023
UDIN: 22046940AJNCFY5238




Dr. M D Patra
Chairman


Anup Kumar
Chief General Manager


Dr. Deepak Kumar
Executive Director


S Sathish Kumar
General Manager

CREDIT GUARANTEE CORPORATION
and Credit Guarantee Corporation Act, 1961)
Form 'A')
of business on March 31, 2023
FUND (GF)

(₹ in lakhs)

Previous Year	ASSETS	Current Year
Amount		Amount
	1. CASH	
0.00	(i) In hand	0.00
19.73	(ii) With Reserve Bank of India	72.63
19.73		72.63
	2. Investments in Central Government Securities (At Cost)	
0.00	Treasury Bills	0.00
16,437.67	Dated Securities	61,051.28
45,170.34	Dated Securities deposited with CCIL(Face Value ₹17,100)	16,361.70
61,608.01		77,412.98
62,121.94	Face Value	78,490.44
62,659.79	Market Value	78,102.26
1,113.41	3. Interest accrued on Investments	1,960.38
	4. Other Assets	
23.18	Project IASS Capitalised	10.40
31.16	Furniture, Fixtures & Equipment (less depreciation)	51.22
0.00	Stock of Stationery	0.00
0.26	Staff Advances	5.37
5,035.00	Margin Deposit with CCIL	1,825.00
1,058.73	Advance Income Tax / TDS	4,430.45
223.16	CGST, SGST & IGST receivable	57.23
0.00	Sundry Debtors	0.45
6,371.49		6,380.12
69,112.64	Total	85,826.11



Pankaj Sharma
Director



Shaji K.V.
Director

DEPOSIT INSURANCE AND CREDIT GUARANTEE CORPORATION
(Form 'B')

Revenue Account for the year ended March 31, 2023

II. GENERAL FUND (GF)

(₹ in lakhs)


Previous Year	EXPENDITURE	Current Year	Previous Year	INCOME	Current Year
Amount		Amount	Amount		Amount
1,162.09	To Payment / Reimbursement of staff cost staff	1,690.07		By Income from Investments	
0.00	To Directors' and Committee Memebrs' Fees	0.00	4,539.59	(a) Interest on Investments	5,045.02
0.36	To Directors' / Committee Members' Travelling & other expenses	5.06	0.00	(b) Profit (Loss) on sale / redemption of investments	10.20
347.96	To Rents, Taxes, Insurance, Lightings etc.	331.99	4,539.59		5,055.22
369.25	To Establishment, Travelling and Halting Allowances	560.30			
24.13	To Printing, Stationery and Computer Consumables	25.27	0.00	By depreciation on Investmenst written back	0.00
88.18	To Postage, telegrams and Telephones	92.89			
89.53	To Auditors' Fees	94.19		By Miscellaneous Receipt	
43.62	To Legal Charges	63.06	0.00	Interest on advances to staff	0.00
9.33	To Advertisements	15.67	(0.73)	Profit / Loss on sale of dead stocks (Net)	(0.15)
0.00	To Provision for diminution in the value of investments credited to Investment Reserve	0.00	1,792.34	Interest on refund of income tax	16,399.98
0.00	To Miscellaneous Expenses	0.00	0.01	Other misc receipts	0.00
7.00	Professional Charges	25.02	1,791.62		16,399.83
369.75	Service Contract / Maintenance	364.76			
7.06	Books, News Papers, Periodicals	6.08			
2.19	Book Grants	4.81			
1.28	Repair of Office Property-Dead Stock	12.39			
118.37	Transaction Charges-CCIL	96.82			
72.83	Others	102.49			
578.48		612.37			
11.71	Depreciation	18.44			
4.53	Depreciation on IASS	9.63			
3,602.04	To Balance being excess of income over expenditure for the year carried down	17,936.11			
6,331.21	Total	21,455.05	6,331.21	Total	21,455.05
	To balance being excess of Expenditure over Income - Carried Down		3,602.04	By balance being excess of income over expenditure for the year - Carried Down	17,936.11
	To Provision for Income Tax				
906.56	Current Year	4,514.16			
0.00	Earlier Years - Short (Excess)	0.00			
0.00	To Investment Fluctuation Reserve (IFR)	0.00			
2,695.48	To General Reserve Account	13,421.95			
3,602.04	Total	17,936.11	3,602.04	Total	17,936.11

As per our report of even date

For NBS & Co.

Chartered Accountants

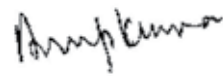
FRN.: 110100W.


CA Pradeep Shetty
Partner (M. No.: 46940)
Mumbai
June 21, 2023
UDIN: 22046940AJNCFY5238





Dr. M D Patra
Chairman


Anup Kumar
Chief General Manager


Dr. Deepak Kumar
Executive Director


S Sathish Kumar
General Manager


Shaji K.V.
Director


Pankaj Sharma
Director

DEPOSIT INSURANCE AND CREDIT GUARANTEE CORPORATION
Deposit Insurance Fund & Credit Guarantee Fund
Cash Flow Statement for the Period ended March 31, 2023

(₹ in lakhs)

Period ended 31-03-2022		PARTICULAR	Period ended 31-03-2023	
Amount			Amount	
DIF	CGF		DIF	CGF
		Cash Flow from Operating Activities		
20,56,621.27	4,499.26	Excess of Income over Expenditure (a)	33,39,131.04	4,801.69
		Adjustments to reconcile excess of Income over expenditure to net cash from operations :		
(10,57,669.46)	(4,498.77)	Interest on Investments	(11,89,324.58)	(4,799.08)
8,067.33	0.00	Profit/(Loss) on Sale/Redemption of Securities	(1,467.72)	0.00
0.00	0.00	Increase in Fund balance (Actuarial Valuation)	0.00	0.00
0.00	0.00	Transfer to Investment Reserve	1,85,046.39	0.00
0.00	0.00	Interest on Refund received	0.00	0.00
0.00	0.00	Taxes	0.00	0.00
1,69,876.00	0.00	Provision in fund balance (as per Actuarial valuation)	(1,79,956.00)	0.00
(8,79,726.13)	(4,498.77)		(11,85,701.91)	(4,799.08)
		Changes in Operating Assets and Liabilities:		
		ASSETS :		
		Decrease/(Increase) in		
(5,30,932.64)	(630.29)	Increase in Advance Income Tax /TDS	(7,03,017.48)	(270.67)
(3,134.57)	0.00	Sundry Debtors	3134.57	0.00
36.09	0.00	CGST, IGST & SGST receivable	166.23	0.00
35,909.23	0.00	Other Assets	(1,78,368.60)	0.00
0.00	0.00	Disputed Service Tax/Interest paid account	0.00	0.00
(4,98,121.89)	(630.29)		(8,78,085.28)	(270.67)
		LIABILITIES :		
		(Decrease)/Increase in		
(35,323.02)	0.00	Estimated Liability in respect of claims intimated but not paid	(2,233.94)	0.00
(3.70)	0.00	Unclaimed Deposits	16.94	0.00
(362.45)	0.00	Sundry Creditors	(421.31)	0.00
0.00	0.00	Sundry Deposit Accounts	0.00	0.00
(35.59)	0.00	Service Tax Payable A/C	(36.81)	0.00
(16,600.10)	0.00	Securities deliverable under Reverse Repo A/C	89,023.49	0.00
0.00	0.00	Swachh Bharat Payable	0.00	0.00
(31.38)	0.00	CGST, SGST & IGST Payable	4.81	0.00
(52,356.23)	0.00		86,353.18	0.00
6,26,417.02	(629.80)	Net Cash Flow from Operating Activities: (a+b+c+d)	13,61,697.03	(268.06)
		Cash Flow from Investing Activities		
10,33,979.98	4,433.38	Interest on Investments Received	11,37,541.28	4,731.12
(8067.33)	0.00	Profit/(Loss) on Sale/Redemption of Securities	1,467.72	0.00
0.00	0.00	Transferred to GF	0.00	0.00
		Decrease/(Increase) in		
(16,52,427.33)	(3,397.12)	Increase in Investments in Central Government Securities	(24,99,057.63)	(4,860.94)
(6,26,514.68)	1,036.26	Net Cash Flow from Investing Activities	(13,60,048.63)	(129.82)
0.00	0.00	Cash Flow from Financing Activities	-	0.00
(97.66)	406.46	Net Increase/decrease in Cash	1,648.40	(397.88)
105.77	7.25	Cash Balance at beginning of period	8.11	413.72
8.11	413.72	Cash Balance at the end of year	1,656.51	15.84

Note : Cash Equivalent Investments are not segregatable, hence not included in Cash Balance

As per our report of even date

For NBS & Co.

Chartered Accountants

FRN.: 110100W.

CA Pradeep Shetty

Partner (M. No.: 46940)

Mumbai

June 21, 2023

UDIN: 22046940AJNCFY5238



Dr. M D Patra

Chairman

Anup Kumar

Chief General Manager

Dr. Deepak Kumar

Executive Director

S Sathish Kumar

General Manager

Shaji K.V.

Director

Pankaj Sharma

Director

DEPOSIT INSURANCE AND CREDIT GUARANTEE CORPORATION
II. GENERAL FUND (GF)

Cash Flow Statement for the Period ended March 31, 2023

(₹ in lakhs)

Previous Year 31st March 2022 Amount	Particulars	Period ended 31st March 2023 Amount
3,602.04	Cash Flow from Operating Activities	
	Excess of Income over Expenditure (a)	17,936.11
	Adjustments to reconcile excess of Income over expenditure to net cash from operations :	
11.71	Depreciation	18.44
4.53	Depereciation on IASS	9.63
(4,539.59)	Interest on Investments	(5,045.02)
0.00	Profit/(Loss) on Sale/Redemption of Securities	(10.20)
0.00	Transfer to Investment Reserve	0.00
0.00	Excess Provision written back	0.00
0.00	Interest on Advances to Staff	0.00
0.73	Profit/(Loss) on Sale of Dead Stock	0.15
0.01	Others -Misc Receipts	0.00
0.00	Income Tax	0.00
(4,522.62)	Changes in Operating Assets and Liabilities :	(5,027.00)
	ASSETS :	
	Decrease (Increase) in	
0.00	Stock of Stationery/Officers Lounge Coupons	0.00
(110.27)	CGST, SGST & IGST receivable	165.93
10.80	Advances for Staff Expenses/allowances receivable from RBI etc.	(5.11)
(587.43)	Advance Income Tax	(4,706.34)
(3,000.00)	Margin Deposit with CCIL	3,210.00
0.00	Interest accrued on Staff Advances	0.00
0.00	Sundry Debtors	(0.45)
(12.43)	Project Cost	12.78
(3,699.33)	LIABILITIES :	(1,323.19)
	Increase (Decrease) in	
0.00	With Reserve Bank of India	0.00
0.00	Outstanding Employees' Cost	0.00
(667.97)	Outstanding Expenses	116.96
(1.14)	Sundry Creditors	1.55
6.99	Other Deposits/ TDS	(6.47)
1.16	CGST & SGST Payable	(0.06)
(660.96)	Net Cash Flow from Operating Activities	111.98
(5,280.87)	Net Cash Flow from Investing Activities	11,697.90
	Cash Flow from Investing Activities	
3,883.16	Interest on Investments Received	4,198.05
0.00	Profit/(Loss) on Sale/Redemption of Securities	10.20
0.00	Interest on Advances to Staff	0.00
(0.01)	Funds received from DIF	0.00
0.00	Others	0.00
(12.66)	Decrease(Increase) in	(48.28)
	Fixed assets	
0.00	Treasury Bills	0.00
28,630.76	Dated Securities	(44,613.61)
(27,254.16)	Dated Securities deposited with CCIL	28,808.64
5,247.10	Net Cash Flow from Investing Activities	(11,645.00)
0.00	Cash Flow from Financing Activities	0.00
(33.77)	Net Increase in Cash	52.90
	Cash Balance at Beginning of Year	
	In Hand	0.00
53.49	With RBI	19.73
19.73	Cash Balance at the end of year	72.63

Note : Cash Equivalent Investments are not segregatable, hence not included in Cash Balance

As per our report of even date

For NBS & Co.

Chartered Accountants

FRN.: 110100W.



CA Pradeep Shetty

Partner (M. No.: 46940)

Mumbai

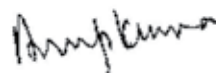
June 21, 2023

UDIN: 22046940AJNCFY5238




Dr. M D Patra

Chairman



Anup Kumar

Chief General Manager



Dr. Deepak Kumar

Executive Director



S Sathish Kumar

General Manager



Shaji K.V.

Director



Pankaj Sharma

Director

SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF ACCOUNTING:

The financial statements have been prepared in accordance with requirements prescribed under Regulation 18 of the Deposit Insurance and Credit Guarantee Corporation General Regulations, 1961. The accounting policies used in the preparation of these financial statements, in all material aspects, conform to Generally Accepted Accounting Principles in India (Indian GAAP), the Accounting Standards (AS) issued by the Institute of Chartered Accountants of India (ICAI) to the extent applicable and practices generally prevalent in the country. The Corporation follows the accrual method of accounting, except where otherwise stated, and the historical cost convention.

2. USE OF ESTIMATES:

The preparation of financial statements requires the management to make estimates and assumptions that affect the reported amount of assets, liabilities, expenses, income and disclosure of contingent liabilities as at the date of the financial statements particularly in respect of claims under Deposit Insurance. Claim liabilities are estimated by an approved Actuary. Management believes that these estimates and assumptions are reasonable and prudent. However, actual results could differ from estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

3. REVENUE RECOGNITION:

Items of income and expenditure are accounted for on accrual basis, unless otherwise stated.

i. Premium:

- a. Deposit insurance premium are recognised as per Regulation 19 of the Deposit Insurance and Credit Guarantee Corporation General Regulations, 1961.

- b. In case premium payment by an insured bank is in default for two consecutive periods, in view of uncertainty of collection of income, premium income are recognised on receipt basis. Provision is made for uncollected premium income, if any, already recognised for such insured banks.
- c. Penal interest for delay in payment of premium is recognised only on actual receipt.

ii. Deposit Insurance Claims

- a. Provision for the liability towards fund balances as at the end of the year is made on the basis of Actuarial Valuation.
- b. Contingent liability (being contra) to the extent of insured deposits is made on de-registration of bank. Further, as per DICGC Amendment Act, 2021, the same will also be made for insured banks placed under direction /prohibition by the competent authority.
- c. In respect of liquidated banks where the Corporation is liable for claim settlement in terms of Section 16 of the DICGC Act, 1961, the contingent liability as created at para (b) specified above, is reversed and provision of the crystallised liability as per deposit liability submitted by the liquidator in the form of Main Claims is taken into the books of account of the Corporation and held till the actual claim is fully discharged by the Corporation in terms of Section 19 of the DICGC Act, 1961 or the end of liquidation process whichever is earlier.

- d. Further, for the claim settlement under section 18A of DICGC Amendment Act, 2021 the accounting policy indicated above stands same. The provision of liability as per the First List of willing depositors submitted by the bank will be held till the actual claim is fully discharged by the Corporation in terms of Section 18A of the DICGC Act, 2021 or at the end of direction/merger/ amalgamation, whichever is earlier.
- e. Separate provisions held in terms of Section 20 of the DICGC Act, 1961 towards depositors not found or not readily traceable, are held till the claim is paid or end of the liquidation process or till completion of 10 years of liquidation, whichever is earlier. As per the approval granted in the 248th meeting of the Board of Directors of the Corporation held on April 6, 2018, the provisions held under the account heads namely unidentifiable (account number - 1070200) and untraceable (account number - 1060100) depositors for banks liquidated for more than 10 years are reversed and parked in a separate contingent liability account for monitoring and making payment subsequently (if claims received) for the amount written back. This exercise is to be done annually for banks liquidated for more than 10 years period.

iii. Repayments

The recovery by way of subrogation rights in respect of deposit insurance claims settled and paid is accounted in

the year in which it is confirmed by the liquidators.

Recoveries in respect of claims settled and subsequently found not eligible are accounted for when realized/ adjusted. The receipts of repayment in respect of the claims paid under section 18A of DICGC Amendment Act, 2021 will depend upon the time frame decided by the Board considering the capacity of the insured banks while taking into account prudential norms and can be deferred (as per Section 21 (3) of DICGC Amendment Act, 2021). In case of delay in repayment beyond the time period prescribed, penal interest at a maximum rate of two percent above the repo rate per annum for the amount to be repaid to the Corporation will be charged by Corporation (as per Section 21 (4) of DICGC Amendment Act, 2021).

- i. Interest on investments is accounted for on accrual basis.
- ii. Profit / Loss on sale of investment is accounted on settlement date of transaction.

4. INVESTMENTS:

- i. All investments are current investments. Government Securities are valued at weighted average cost or market value whichever is lower. For the purpose of valuation, rates provided by the Fixed Income Money Market and Derivatives Association of India (FIMMDA) are taken as market rates. Treasury bills are valued at carrying cost.
- ii. Net Depreciation, if any, within category is recognised in the Profit & Loss Account. Net Appreciation, if any, under the category is ignored.
- iii. Provision for diminution in the value of securities is not deducted from investments in the balance sheet,

but such provision is retained by way of accumulation to Investment Reserve Account in conformity with the prescribed format for statement of accounts.

- iv. Investment Fluctuation Reserve (IFR) is maintained to meet the market risk arising on account of the diminution in the value of portfolio in future. The adequacy of IFR is assessed on the basis of market risk of the investment portfolio, as on the balance sheet date. The IFR in excess of the market risk, if any, is retained and carried forward. Whenever the IFR amount falls below the required size, credits to IFR are made as an appropriation of excess of income over expenditure before transfer to Fund Surplus / General Reserve.
- v. Inter fund transfer of securities is made at book value as on the date of the transfer.
- vi. Repo and Reverse Repo Transactions are treated as Collateralised Borrowing /Lending Operations with an agreement to repurchase on the agreed terms. Securities sold under Repo are continued to be shown under investments and Securities purchased under Reverse Repo are not included in investments. Costs and revenues are accounted for as interest expenditure / income, as the case may be.

5. Fixed Assets:

- i. Fixed assets are stated at cost less depreciation. Cost comprises the purchase price and any attributable cost for bringing the asset to its working condition for its intended use.
- ii. a) Depreciation on computers, microprocessors, software (costing

₹1 lakh and above), motor vehicles, furniture, *etc.* is provided on straight-line basis at the following rates.

Asset Category	Rate of depreciation
Computers, microprocessors, software, <i>etc.</i>	33.33%
Motor vehicles, furniture, <i>etc.</i>	20%

(b) Depreciation on additions during the period up to 180 days is provided for full year, otherwise, to be provided for half year. No depreciation is provided on assets sold/disposed off during the year.

- iii. Fixed Assets, costing less than ₹1 lakh, (except easily portable electronic assets such as laptops, *etc.*, costing more than ₹10,000) are charged to the Profit and Loss Account in the year of acquisition.

6. Leases:

Assets acquired under leases, where the significant portion of the risks and rewards of ownership are retained by the lessor, are classified as operating leases and lease rentals are charged to the profit and loss account on accrual basis.

7. Employees' Benefits / Cost:

Employees' cost such as salaries, allowances, compensated absences, contribution to Provident Fund and Gratuity Fund is being incurred as per the arrangement with Reserve Bank of India, as the employees of the Corporation are on deputation from the Reserve Bank of India.

8. Taxation on Income:

The expenditure comprises of current Tax and Deferred Tax. Current Tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act. Deferred

Tax is recognised, subject to consideration of prudence on timing differences, as the difference between taxable income and accounting income/ expenditure that originate in one period and are capable of reversal in one or more subsequent years. Deferred taxes are reviewed for their carrying value at each balance sheet date.

9. Impairment of Assets:

Fixed Assets are reviewed for impairment whenever events or changes in circumstances warrant that the Recoverable Amount is less than its carrying value. Carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset with its estimated current realizable value. If such assets are considered to be impaired, the impairment has to be recognized and it is measured by the amount by which the carrying amount of the assets exceeds estimated current realizable value of the asset.

10. Provisions, Contingent Liabilities and Contingent Assets:

- i. In conformity with AS 29, Provisions, Contingent Liabilities and Contingent

Assets, the Corporation recognizes provisions only when it has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount of the obligation can be made.

- ii. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date.
- iii. Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.
- iv. Contingent Assets are not recognized.
- v. Contingent Liability is potential liability that may occur depending upon outcome of an uncertain future event. A contingent liability is recorded in the accounting records, if contingency is probable and amount of liability can be reliably estimated.

NOTES TO ACCOUNTS**1. CONTINGENT LIABILITIES NOT PROVIDED:****A. Service Tax:**

(₹ in crore)

Nature of Contingent Liability	Current year	Previous year
Service Tax	175.51	175.51

Explanatory Notes:**I. October 01, 2006 to September 30, 2011 (₹5,367.42 crore):**

The Service Tax Department vide order dated January 10, 2013, raised a service tax demand amounting to ₹5,367.42 crore for the period October 01, 2006 to September 30, 2011 (including interest and penalty) by treating the activity of Deposit Insurance and Credit Guarantee Corporation (DICGC) under the category of 'General Insurance Business'. Corporation filed an appeal on April 8, 2013 at CESTAT against the order. CESTAT vide order dated March 11, 2015 granted relief to the Corporation by setting aside entire demand of ₹5,367.42 crore for the period prior to September 20, 2011. However, CESTAT also held that the activity of the Corporation is covered under the category of "General Insurance Business" and the Corporation is liable to pay Service Tax. The Service Tax Department approached the Hon'ble Supreme Court for admission of appeal against CESTAT order setting aside the entire demand of ₹5,367.42 crore. The Corporation has filed a counter affidavit in Supreme Court on July 20, 2016 and the matter is yet to come up for hearing. The Corporation also filed an appeal on September 09, 2015 before the Hon'ble Mumbai High Court against the confirmation of categorisation of activity as falling

under "General Insurance Business".

In the meantime, Service Tax Department approached CESTAT for levy of penalty under Section 76 instead of Section 78 for the period April 01, 2011 to September 30, 2011 amounting to ₹283 crore which was also dismissed vide order dated April 27, 2017 on the grounds that the issue has been decided in favor of the Corporation on merit vide order dated March 11, 2015. [Section 76 provides for levy of penalty where a person liable to pay Service Tax fails to pay Service Tax; Section 78 provides for levy of penalty when the Service Tax had not been levied or not been paid on account of fraud, wilful misstatement, suppression or collusion]. Service Tax Department approached the Hon'ble Supreme Court against the said order of the CESTAT. The Hon'ble Supreme Court tagged the same with Civil Appeal Nos.3340-3342 of 2016.

II. October 01, 2011 to March 31, 2013 (₹118.64 crore plus interest for delay ₹56.87 crore):

Consequent to the Computer Aided Audit Programme (CAAP Audit), Service Tax Department, vide letter dated June 26, 2014 asked the Corporation to pay ₹118.64 crore as 'additional service tax liability' for the period from October 01, 2011 to March 31, 2013, by treating the premium received by the Corporation as 'exclusive of Service Tax'. The Corporation had treated the premium received for the period as 'inclusive of Service Tax'. The Corporation paid an amount of ₹88.44 crore on January 8, 2015 and ₹30.2 crore on June 30, 2015 (total of ₹118.64 crore) 'under protest'. The Corporation also paid the interest of ₹39.46 crore (Service Tax authorities considered March 31 and October 06 as the due date for payment for calculation of interest *vis-à-vis* June 06 and December 06 respectively as determined by the Corporation) 'under protest'.

Commissioner (Appeals) vide order dated January 11, 2016 had held that the treatment of premium by the Corporation as 'inclusive of service tax' was as per provisions of law. However, Commissioner did not dwell on the issue relating to due date of payment under Point of Taxation Rules 2011. The Corporation accordingly filed an appeal before CESTAT against the order on April 18, 2016. Department also filed an appeal before CESTAT against the order of Commissioner (Appeals).

Department issued a Show Cause Notice in May 2016 for the interest payment of ₹17.40 crore (excluding ₹39.6 crore paid by DICGC). Commissioner vide order dated August 16, 2018 had confirmed the demand raised. The Corporation filed an appeal before CESTAT, Mumbai on November 26, 2018 and an application for refund vide letter dated June 1, 2018 for ₹158 crore was filed as payment was made under protest. Assistant Commissioner vide order dated May 20, 2020 rejected the request for refund. The Corporation filed an appeal before Commissioner (Appeals) on October 20, 2020 against the order. Subsequently, a personal hearing in respect of the refund of ₹158 crore was held on January 06, 2021. As a result, the Corporation received an order dated March 18, 2021 wherein Commissioner (Appeals) set aside the impugned order and decided the issue pertaining to refund of ₹158 crore in favour of the Corporation.

As the decision was in the Corporation's favor, Service Tax Department was approached for refund vide letter dated June 02, 2021. However, Service Tax Department filed an appeal against the decision in CESTAT.

B. Claims:

(₹ in crore)

Contingent liability pertaining to	Accounting Code	March 31, 2023	March 31, 2022
a) Deregistered Banks	1080002	418.58	54.51
b) Untraceable depositors	1080006	149.40	149.59
c) Unidentifiable depositors	1080005	87.64	87.65
d) Banks under AID	1080003	507.21	2,619.13

2. Amendment of Section 18 of DICGC Act 1961:

Apropos the amendment to DICGC Act, 1961 a new Section 18A has been inserted in the Act with effect from September 01, 2021, wherein DICGC is liable to pay depositors of such insured banks in respect of which any direction is issued or any prohibition or order or scheme is made under any of the provisions of the Banking Regulation Act, 1949 and such direction, prohibition, order or scheme provides for restrictions on depositors of such bank from accessing their deposits. Accordingly, DICGC has paid ₹649.92 crores in respect of 28 banks during the year (₹3,457.85 crores in respect of 22 banks during FY 2021-22).

3. Investment Fluctuation Reserve:

The Investment Fluctuation Reserve (IFR) is maintained as a cushion against market risk. IFR held in excess of the market risk computed is retained and carried forward in terms of the accounting policy. As on March 31, 2023, IFR of ₹6,966.96 crore was maintained (₹6,536 crore as on March 31, 2022).

5. REPO TRANSACTIONS (AS PER RBI PRESCRIBED FORMAT)

In Face Value Terms (₹ in crore)

Disclosure	Minimum outstanding during the Year	Maximum outstanding during the Year	Daily Average outstanding during the Year	As on March 31, 2023
I. Securities Sold under Repo				
a) Government Securities	0.00	0.00	0.00	0.00
b) Corporate Debt Securities	0.00	0.00	0.00	0.00
II. Securities Purchased under Reverse Repo				
a) Government Securities	3.06	11,658.29	1,863.85	1,074.95
b) Corporate Debt Securities	0.00	0.00	0.00	0.00

4. Intra Day Liquidity Arrangement with RBI:

The investments in respect of the three Funds include securities with Face Value of ₹2,500 crore earmarked by Reserve Bank of India towards Intra Day Liquidity (IDL) facility extended to the Corporation.

6. INCOME TAX:

The Corporation has exercised the option of paying income tax at the rate of 22% as provided in Section 115BAA of the Taxation Law (Amendment) Ordinance, 2019 for Financial Year 2022-23 (AY2023-24).

7. ACTUARIAL VALUATION:

Risk default probability and loss ratio approach were used for calculating the actuarial valuation as on March 31, 2023. (Discounted Cash Flow Projection Technique was used for valuation as on March 31, 2022).

8. RELATED PARTY DISCLOSURE:

Key Management Personnel:

Dr. Deepak Kumar, Executive Director, Reserve Bank of India, held the charge of the affairs of the Corporation from April 1, 2022 to March 31, 2023. He drew salary and perquisites from the Reserve Bank of India.

9. SEGMENT REPORTING:

The Corporation is, at present, primarily engaged in providing deposit insurance to banks at a uniform rate of premium irrespective of the category of the bank. Thus, in the opinion of the management, there is no distinct reportable segment, either business or geographical.

10. The figures of previous year have been recast / regrouped / rearranged, wherever necessary, to make them comparable with those of current year.