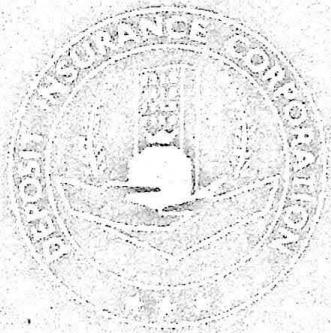


DEPOSIT INSURANCE CORPORATION

**DIRECTORS' REPORT
AND BALANCE SHEET
AND ACCOUNTS**



FOR THE YEAR ENDED 31st DECEMBER 1963

With the Compliments of

**The Deposit Insurance Corporation
Bombay.**

DEPOSIT INSURANCE CORPORATION

BOARD OF DIRECTORS

SHRI P. C. BHATTACHARYYA

Governor, Reserve Bank of India, Bombay (Chairman)

SHRI M. V. RANGACHARI

Deputy Governor, Reserve Bank of India, Bombay

SHRI A. BAKSI

*Joint Secretary to the Government of India,
Ministry of Finance, Department of Economic Affairs*

SHRI G. S. DIWAN

SHRI S. N. DESAI

MANAGER

SHRI MANGESH S. NADKARNI

BANKERS

Reserve Bank of India

AUDITORS

Messrs S. B. Billimoria & Co.,

Chartered Accountants,

113, Mahatma Gandhi Road,

Bombay 1.

REGISTERED OFFICE

Reserve Bank Building,

Post Bag No. 10123,

Fort, Bombay 1.

LETTER OF TRANSMITTAL

DEPOSIT INSURANCE CORPORATION

Reserve Bank Building,
Post Bag No. 10123,
Fort, Bombay 1.

Ref. No. 675 DIC. 50-64

25th March 1964.
5th Chaitra 1886 (Saka)

The Governor,
Reserve Bank of India,
Central Office,
Bombay.

Dear Sir,

Pursuant to the provisions of Section 32(1) of the Deposit Insurance Corporation Act, 1961 I am directed by the Board of Directors to forward herewith the following documents:—

(1) The Balance Sheet and Accounts of the Corporation for the year ended 31st December 1963 together with the Auditors' Report;

and

(2) The Report of the Board of Directors on the working of the Corporation for the year 1963.

Yours faithfully,

MANGESH S. NADKARNI
Manager.

REPORT ON THE WORKING OF THE DEPOSIT INSURANCE CORPORATION FOR THE YEAR 1963.

The Deposit Insurance Corporation Act, 1961 and the General Regulations framed thereunder were, along with certain other enactments, extended by the President of India to Pondicherry with effect from the 1st October 1963. Earlier, in November 1962, the Act and the Regulations had been similarly extended to Goa, Daman and Diu. While, with this extension, there has been no addition to the number of insured banks, depositors of the offices functioning in these territories, of the existing insured banks are now covered by the protection under the scheme.

2. No new banks were registered as insured banks during the year. With the occurrence of one or the other of the events specified in section 13 of the Act (particularly voluntary amalgamations under section 44A of the Banking Companies Act, 1949 and transfers of deposit liabilities and equivalent assets) the number of insured banks stood reduced to 250 at the close of the year as against 276 at the end of 1962 and 287 at the commencement of the working of the Corporation.

3. The extent of insurance cover provided by the Corporation remained unchanged at Rs. 1,500 to each depositor in respect of all his deposits in a bank in the same capacity and in the same right. The rate of premium continued to be 5 nP. for every one hundred rupees per annum. Comparative figures of the coverage according to number of deposit accounts and amount of deposits are furnished below:

| | 1961 (December*) | 1962 (September*) | 1963 (September*) |
|---|-----------------------|-----------------------|-----------------------|
| (i) Total number of accounts | 70,58,448 | 77,03,548 | 85,86,932 |
| (ii) Number of accounts with balances not exceeding Rs. 1,500/- | 55,41,652 | 59,77,420 | 66,52,066 |
| Percentage of (ii) to (i) | 78.5 | 77.6 | 77.5 |
| (iii) Total deposits assessable to premium | Rs. 1693.75 crores | Rs. 1895.27 crores | Rs. 2106.78 crores |
| (iv) Amounts of the first Rs. 1,500/- or less in all accounts | Rs. 392.32 crores | Rs. 448.00 crores | Rs. 500.16 crores |
| Percentage of (iv) to (iii) | 23.1 | 23.6 | 23.7 |

* As on the last Friday of the month.

Note: Figures for December 1961 represent those at the commencement of the scheme. Subsequent figures relate to September end i.e. the period for which data were available during the preparation of the respective reports.

An analysis of the coverage according to the size of banks is given in Appendix I.

4. The balance sheet and accounts of the Corporation as at the close of business on the 31st December 1963 together with the auditors' report are attached. Mainly as a result of larger receipts of insurance premium following an increase in the deposits of insured banks, the net accretion to the Deposit Insurance Fund during the year was higher at Rs. 109.86 lakhs as compared to Rs. 92.84 lakhs in 1962. The Fund stood at Rs. 202.70 lakhs at the close of the year and constituted 0.10% of the total deposits assessable to premium and 0.40% of the insured deposits as at the end of September 1963 as against 0.05% and 0.20% respectively at the end of September 1962. The bulk of the amount of the Fund left after meeting claims that arose during the year in respect of insured deposits has been invested in Central Government securities as required

under the provisions of the Deposit Insurance Corporation Act. These investments constitute 93.69 per cent of the total assets of the Deposit Insurance Fund. There was no occasion for this Fund to borrow during the year either from the Reserve Bank of India in terms of section 26 of the Act or from the General Fund in terms of section 27 thereof.

The General Fund comprising mainly the capital of Rs. 1 crore contributed by the Reserve Bank of India in terms of section 4 of the Act earned a net income of Rs. 2.31 lakhs during the year. After appropriating a sum of Rs. 0.30 lakh to the Investment Reserve so as to raise it to Rs. 0.90 lakh, the balance of the net income has been transferred to the General Reserve which now amounts to Rs. 4.25 lakhs as against Rs. 2.24 lakhs at the end of the previous year. The investments in the General Fund which are also in Central Government securities form 98.44 per cent of the total assets of that Fund.

The details of the investments in the two Funds as on the 31st December 1963 are furnished in Appendix II. It will be seen that while the aggregate market value of the investments in the Deposit Insurance Fund exceeds their total book value, there is a depreciation of Rs. 0.88 lakh in the investments in the General Fund, which is fully covered by the Investment Reserve in that Fund.

5. Mention was made in the annual report for last year that liability of the Corporation in regard to the insured deposits had arisen in respect of two banks viz. the Bank of China and the Unity Bank Ltd., Madras and that payment would be made on receipt of the lists of depositors' claims and reimbursements from those banks. The list was received from the Official Liquidator for the Bank of China on the 4th April 1963. The entire amount due as per the list wherein all the depositors were initially treated as traceable was remitted to him on the 27th April 1963. The total liability of the Corporation on this basis amounted to Rs. 9,61,633.31. Subsequently, depositors having claims aggregating Rs. 3,19,106.85 who did not respond to the Liquidator's notice were considered as untraceable. In terms of section 20 of the Deposit Insurance Corporation Act, an adequate provision is required to be made by the Corporation in respect of the liability to the untraceable depositors and this amount was, therefore, returned by the Liquidator to the Corporation. The liability has been provided for in full by the Corporation. As regards the claims of the traceable depositors at Rs. 6,42,526.46, disbursements made by the Liquidator upto the end of the year to some of them in full discharge of the Corporation's liability to them amounted to Rs. 3,67,479.77. The balance of Rs. 2,75,046.69 is due to depositors several of whom appear to be 'enemies' in terms of the Defence of India Rules, 1962 or 'non-residents' in respect of whose claims it is necessary to obtain clearance from the Custodian of Enemy Property and/or the Exchange Control Department of the Reserve Bank of India. The Liquidator has retained a sum of Rs. 99,250.61 for meeting these claims as and when he receives clearance in respect of them and has returned to the Corporation the balance of the funds remitted by it as being not immediately required by him. The liability in respect of the traceable depositors whose claims are pending has been fully provided for along with the liability to the untraceable depositors.

The list of depositors of the Unity Bank Ltd. was received at the end of August 1963. The Corporation's liability to the traceable and untraceable depositors of the bank after taking into account the pro rata credits afforded in their accounts by the transferee bank, viz. the State Bank of India on the date of amalgamation amounted to Rs. 2,55,297.15 and Rs. 1,965.65 respectively. The amount due to the traceable depositors was remitted in full to the transferee bank on the 13th September 1963 and provision was made in respect of the liability to the untraceable depositors. The transferee bank made further pro rata payment to the depositors in the course of the year and, in terms of section 21(2) (b) of the Deposit Insurance Corporation Act, reimbursed the Corporation to the extent of Rs. 82,837.01 and Rs. 410.63 for payments made on its behalf to the traceable depositors and provision made in respect of the untraceable depositors respectively.

Out of the twenty-six banks whose registration was cancelled during the year, the liability of the Corporation in regard to the insured deposits arose in the case of only one bank viz. the Bank of Alagapuri Ltd., Alagapuri. In the other cases, the events that led to the cancellation of registration were not such as would, in terms of section 16 of the Act, give rise to a liability of the Corporation. The Bank of Alagapuri Ltd., was amalgamated with the Indian Bank Ltd., Madras with effect from the 14th August 1963 under section 45 of the Banking Companies Act, 1949. On the basis of the list of depositors furnished by the transferee bank in the middle of November 1963 the Corporation's liability to the traceable depositors was computed at Rs. 26,515.33 after taking into account the pro rata payment made by the transferee bank on the date of amalgamation and this amount was remitted by the Corporation to the transferee bank on the 24th December 1963. Subsequently, it was found that there was a further liability of Rs. 1,042.46 in respect of the traceable depositors and this has been provided for in the annual accounts, the relative remittance having been effected after the close of the year. The Corporation's liability to the untraceable depositors amounting to Rs. 43.43 has also been provided for.

The position of the claims paid or provided for by the Corporation and reimbursements received thereagainst up to the close of the year is set out below:

| | <i>Insured deposits already paid</i> | <i>Insured deposits remaining unclaimed</i> |
|--|--|---|
| | Rs. nP. | Rs. nP. |
| Bank of China | 3,67,479.77 | 5,94,153.54 (2,75,046.69) |
| Unity Bank Ltd. | 2,55,297.15 | 1,965.65 |
| Bank of Alagapuri Ltd. | 26,515.33 | 1,085.89 (1,042.46) |
| | <hr/> 6,49,292.25 | <hr/> 5,97,205.08 |
| <i>Less:</i> Reimbursements received during the year for payments/provision made in the case of the Unity Bank Ltd. | 82,837.01 | 410.63 |
| | <hr/> 5,66,455.24* | <hr/> 5,96,794.45* |

* Reference is invited to items 4 and 5(a) on the assets side of the balance sheet of the Deposit Insurance Fund.

Note: Figures in brackets indicate the amount of claims of traceable depositors pending disbursement. The balance is due to the untraceable depositors.

6. A provision of Rs. 3 lakhs was made in the accounts for 1962 to cover the likely insurance loss which might ultimately fall on the Corporation on account of the Unity Bank Ltd. The likely Provision for insurance loss which might fall on the Corporation on account of the three banks insurance losses (inclusive of the Unity Bank Ltd.) referred to in paragraph 5 is now estimated at Rs. 1.80 lakhs. The balance of Rs. 1.20 lakhs has been written back to the Revenue Account of the Deposit Insurance Fund in the current year.

7. On the expiry of their term of office at the end of the year, Sarvashri G. S. Diwan and S. N. Desai were re-nominated by the Central Government as Directors under clause (d) of sub-section (1) of section 6 of the Act. Shri Diwan was subsequently re-nominated by the Board of Directors as a member of the Executive Committee.

Board of
Directors and
Executive
Committee

The Board of Directors met five times and the Executive Committee six times during the year.

8. The arrangement made with the Reserve Bank of India for its making available to the Corporation the requisite staff and for providing other facilities such as office space etc. continues to be in operation. The Bank is reimbursed for the relative charges.

As in the last year, besides publicising the protection afforded by the Corporation to the depositors through a display of posters in English, Hindi and the main regional languages in the offices of the insured banks, advertisements were also inserted in the leading newspapers and periodicals in those languages. With a view to promoting the banking habit among the people in the less developed areas, publicity through the press was so arranged as to ensure a wider coverage in those areas.

9. With the previous approval of the Reserve Bank of India, the Board of Directors appointed Messrs. S. B. Billimoria & Co. as auditors of the Corporation for the year 1963.

Auditors

On behalf of the Directors,
P. C. BHATTACHARYYA

Bombay, 19th March, 1964.

Chairman.

APPENDIX I

ANALYSIS OF COVERAGE OF INSURANCE ACCORDING TO THE SIZE OF THE BANKS

(As on the last Fridays of December 1961, September 1962 and September 1963)

(In lakhs of rupees)

| | No. of banks | No. of accounts with balances not exceeding Rs. 1500 | Total number of accounts | % of 2 to 3 | Amount of the first Rs. 1500 or less in all accounts | Total amount of deposits assessable to premium | % of 5 to 6 |
|---|--------------|--|--------------------------|-------------|--|--|-------------|
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) |
| BANKS WITH DEPOSITS: | | | | | | | |
| (i) exceeding Rs. 100 crores: | | | | | | | |
| 1961 | 5 | 19,07,565 | 26,08,513 | 73.1 | 17244.19 | 86024.65 | 20.4 |
| 1962 | 5 | 20,56,863 | 28,61,493 | 71.9 | 19855.88 | 96614.94 | 20.5 |
| 1963 | 5 | 23,03,769 | 32,01,003 | 72.0 | 22279.55 | 108010.07 | 20.6 |
| (ii) exceeding Rs. 50 crores but under Rs. 100 crores: | | | | | | | |
| 1961 | 5 | 7,70,242 | 10,14,608 | 75.8 | 6197.07 | 31166.68 | 19.8 |
| 1962 | 5 | 8,25,565 | 10,96,603 | 75.3 | 6813.43 | 33754.29 | 20.2 |
| 1963 | 4 | 9,09,942 | 12,13,716 | 75.0 | 7614.56 | 31888.94 | 23.9 |
| (iii) exceeding Rs. 25 crores but under Rs. 50 crores: | | | | | | | |
| 1961 | 5 | 6,71,802 | 8,31,405 | 80.8 | 4305.59 | 15026.17 | 28.7 |
| 1962 | 5 | 7,54,562 | 9,47,116 | 79.6 | 5068.76 | 17148.89 | 29.5 |
| 1963 | 6 | 13,05,115 | 15,84,932 | 82.3 | 7635.97 | 27658.34 | 27.6 |
| (iv) exceeding Rs. 10 crores but under Rs. 25 crores: | | | | | | | |
| 1961 | 11 | 9,51,626 | 11,30,263 | 84.2 | 4952.99 | 17871.79 | 27.7 |
| 1962 | 11 | 10,26,510 | 12,33,390 | 83.2 | 5828.39 | 21796.82 | 26.7 |
| 1963 | 12 | 9,89,313 | 12,25,841 | 80.7 | 6286.75 | 24696.62 | 25.5 |
| (v) exceeding Rs. 1 crore but under Rs. 10 crores: | | | | | | | |
| 1961 | 45 | 8,80,365 | 10,55,542 | 83.4 | 4775.77 | 15521.78 | 30.8 |
| 1962@ | 44 | 9,45,560 | 11,40,084 | 82.9 | 5410.09 | 16298.88 | 33.1 |
| 1963 | 42 | 8,07,526 | 9,72,810 | 83.0 | 4616.52 | 15063.93 | 30.6 |
| (vi) Rs. 1 crore or less: | | | | | | | |
| 1961£ | 214 | 3,60,052 | 4,18,117 | 86.1 | 1756.20 | 3763.70 | 46.7 |
| 1962§ | 203 | 3,68,360 | 4,24,862 | 86.7 | 1823.61 | 3913.47 | 46.5 |
| 1963* | 191 | 3,36,401 | 3,88,630 | 86.6 | 1582.94 | 3360.00 | 47.1 |
| TOTALS: | | | | | | | |
| 1961 | 285 | 55,41,652 | 70,58,448 | 78.5 | 39231.81 | 169374.77 | 23.1 |
| 1962 | 273 | 59,77,420 | 77,03,548 | 77.6 | 44800.16 | 189527.29 | 23.6 |
| 1963 | 260 | 66,52,066 | 85,86,932 | 77.5 | 50016.29 | 210677.90 | 23.7 |

Does not include the figures of: @ one bank with deposits of approximately Rs. 315 lakhs. £ two banks with deposits of approximately Rs. 0.91 lakh. § nine banks with deposits of approximately Rs. 100 lakhs. * four banks with deposits of approximately Rs. 20.57 lakhs.

APPENDIX II

STATEMENT OF INVESTMENTS IN CENTRAL GOVERNMENT SECURITIES AS ON THE

31st DECEMBER 1963

| <i>Particulars</i> | <i>Face Value Rs.</i> | <i>Book Value Rs.</i> | <i>Rate Rs.</i> | <i>Market Value Rs.</i> |
|--------------------------------|---------------------------|---------------------------|---------------------|-----------------------------|
| DEPOSIT INSURANCE FUND: | | | | |
| 3½% 1964 .. | 33,85,000 | 33,70,822·50 | 99·85 | 33,79,922·50 |
| 4¼% 1972 .. | 4,50,000 | 4,50,000·00 | 100·60 | 4,52,700·00 |
| 3¼% 1968 .. | 47,67,000 | 47,35,137·00 | 99·40 | 47,38,398·00 |
| 3½% 1969 .. | 18,25,000 | 17,72,525·00 | 97·10 | 17,72,075·00 |
| 3½% 1965 .. | 22,40,000 | 22,23,340·00 | 99·65 | 22,32,160·00 |
| 4 % 1969 .. | 42,52,000 | 42,30,740·00 | 99·50 | 42,30,740·00 |
| 3 % 1970/75 .. | 1,75,000 | 1,54,875·00 | 90·25 | 1,57,937·50 |
| 3 % 1964 .. | 27,50,000 | 27,19,750·00 | 99·50 | 27,36,250·00 |
| | <u>1,98,44,000</u> | <u>1,96,57,189·50</u> | | <u>1,97,00,183·00</u> |
| GENERAL FUND: | | | | |
| 3½% 1965 .. | 10,50,000 | 10,46,325·00 | 99·65 | 10,46,325·00 |
| 3¼% 1967 .. | 15,00,000 | 14,98,500·00 | 99·50 | 14,92,500·00 |
| 3¼% 1968 .. | 25,00,000 | 24,97,500·00 | 99·40 | 24,85,000·00 |
| 3¼% 1974 .. | 25,00,000 | 24,88,750·00 | 96·75 | 24,18,750·00 |
| 4 % 1981 .. | 25,00,000 | 24,62,500·00 | 98·40 | 24,60,000·00 |
| 4¼% 1985 .. | 1,00,000 | 1,00,075·00 | 100·10 | 1,00,100·00 |
| 4 % 1972 .. | 65,000 | 64,402·50 | 99·25 | 64,512·50 |
| 4¼% 1972 .. | 1,00,000 | 1,00,000·00 | 100·60 | 1,00,600·00 |
| 3 % 1970/75 .. | 75,000 | 65,787·50 | 90·25 | 67,687·50 |
| 4¼% 1986 .. | 50,000 | 50,000·00 | 100·00 | 50,000·00 |
| | <u>1,04,40,000</u> | <u>1,03,73,840·00</u> | | <u>1,02,85,475·00</u> |

REPORT OF THE AUDITORS TO THE CORPORATION

We have audited the attached Balance Sheet of the Deposit Insurance Corporation as at the 31st December, 1963, showing the position of the Deposit Insurance Fund and the General Fund respectively as on that date and also the Revenue Account annexed to the said Balance Sheet showing the income and expenditure of the abovementioned two Funds for the year ended on that date, and report on the said Balance Sheet and Account as follows:—

- (1) We have obtained all the information and explanations which we have required for the purposes of our audit and the same have been satisfactory.
- (2) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet is full and fair Balance Sheet and is properly drawn up containing all the necessary particulars so as to exhibit a true and correct view of the state of affairs of the Corporation as at the 31st December, 1963, and is also properly drawn up in accordance with the requirements of Regulation 18 of the Deposit Insurance Corporation General Regulations, 1961.

Bombay, 23rd March, 1964.

S. B. BILLIMORIA & CO.
Chartered Accountants.

DEPOSIT INSURANCE

(Established under the Deposit
Regulation

Balance Sheet as at the close of

I. DEPOSIT

| <i>As at the 31st December 1962 Rs. nP.</i> | LIABILITIES | Rs. nP. | Rs. nP. |
|---|---|----------------|-----------------------|
| | 1. FUND: | | |
| — | Balance at the beginning of the year ... | 92,84,058.79 | |
| 92,84,058.79 | <i>Add:</i> Net accretion to the Fund during the year transferred from the Revenue Account | 1,09,86,276.71 | |
| 92,84,058.79 | Balance at the end of the year | | 2,02,70,335.50 |
| — | 2. Advance from the Reserve Bank of India (Section 26 of the Deposit Insurance Corporation Act) | | — |
| — | 3. Advance from the General Fund (Section 27 of the Deposit Insurance Corporation Act) | | — |
| — | 4. Insured deposits remaining unclaimed (per contra) (As per Annexure II) | | 5,97,205.08 |
| 15,11,000.00 | 5. Insured deposits in banks whose registra- tion as insured banks has been cancelled (per contra) | | — |
| 88,839.61 | 6. Other Liabilities : Excess premium refundable to banks ... | | 1,13,668.72 |
| 1,08,83,898.40 | | | 2,09,81,209.30 |

*Reference is invited to paragraph 5 of the Annual Report.

As per our report of even date attached.

S. B. BILLIMORIA & CO.

Chartered Accountants.

Bombay, 23rd March, 1964.

CORPORATION

Insurance Corporation Act, 1961)

18—Form A

business on the 31st December 1963

INSURANCE FUND

| As at the 31st December 1962 Rs. nP. | ASSETS | Rs. nP. | Rs. nP. |
|---|--|-------------------------|----------------|
| 8,727.10 | 1. Balance with the Reserve Bank of India... | | 12,963.56 |
| 95,71,178.00 (Rs. 96,10,000.00) (Rs. 95,58,863.00) 53,163.20 | 2. Investments in Central Government Securities (at cost)... (Face value Rs. 1,98,44,000.00) (Market value Rs. 1,97,00,183.00) | | 1,96,57,189.50 |
| | 3. Interest accrued on investments ... | | 1,51,688.00 |
| — | 4. Subrogated claims of depositors in respect of insured deposits already paid ... | *5,66,455.24 | |
| — | Less: Provision for estimated insurance losses ... (As per Annexure I) | 1,78,150.00 | 3,88,305.24 |
| — | 5. (a) Subrogated claims of depositors in respect of insured deposits remaining unclaimed (per contra) ... Rs. 5,97,205.08 Less: Reimbursements received during the year Rs. 410.63 | *5,96,794.45 | |
| 15,11,000.00 | (b) Subrogated claims of depositors in respect of insured deposits in banks whose registration as insured banks has been cancelled (per contra) ... | — | |
| 3,00,000.00 | Less: Provision for estimated insurance losses ... | 5,96,794.45 1,850.00 | 5,94,944.45 |
| 12,11,000.00 | 6. Other Assets: | | |
| 39,830.10 | Outstanding premium due from banks | 76,867.94 | |
| — | Amount paid towards claims under Section 17(2) of the Act remaining undisbursed ... | 99,250.61 | |
| 39,830.10 | | | 1,76,118.55 |
| 1,08,83,898.40 | | | 2,09,81,209.30 |

MANGESH S. NADKARNI

Manager.

Bombay, 19th March, 1964.

P. C. BHATTACHARYYA *Chairman.*

M. V. RANGACHARI

A. BAKSI

G. S. DIWAN

S. N. DESAI

Directors.

DEPOSIT INSURANCE

(Established under the Deposit
Regulation

Balance Sheet as at the close of

II. GENERAL

| As at the 31st December 1962 Rs. nP. | LIABILITIES | Rs. nP. | Rs. nP. |
|---|---|-------------|----------------|
| 1,00,00,000.00 | 1. CAPITAL : Provided by the Reserve Bank of India under Section 4 of the Deposit Insurance Corporation Act | | 1,00,00,000.00 |
| 2,23,657.33 | 2. RESERVES : General Reserve | 4,24,771.26 | |
| 60,000.00 | Investment Reserve | 90,000.00 | |
| — | Other Reserves | — | |
| 2,83,657.33 | | | 5,14,771.26 |
| — | 3. CURRENT LIABILITIES AND PROVISIONS : | | |
| — | Staff Provident Fund | — | |
| — | Staff Gratuity Fund | — | |
| 9,355.00 | Other Liabilities : Outstanding expenses | 23,836.59 | |
| 9,355.00 | | | 23,836.59 |
| 1,02,93,012.33 | | | 1,05,38,607.85 |

As per our report of even date attached.

S. B. BILLIMORIA & CO.

Chartered Accountants.

Bombay, 23rd March, 1964.

CORPORATION

Insurance Corporation Act, 1961)

18—Form A

business on the 31st December 1963

FUND

| As at the 31st December 1962 Rs. nP. | ASSETS | Rs. nP. | Rs. nP. |
|--|--|----------|----------------|
| | 1. CASH : | | |
| 49.33 | (i) In hand | 43.44 | |
| 998.93 | (ii) With the Reserve Bank of India... | 9,042.41 | |
| 1,048.26 | | | 9,085.85 |
| 1,01,38,552.50 | 2. INVESTMENTS IN CENTRAL GOVERNMENT SECURITIES (at cost) | | 1,03,73,840.00 |
| (Rs. 1,01,95,000.00) | (Face value Rs. 1,04,40,000.00) | | |
| (Rs. 1,00,81,120.00) | (Market value Rs. 1,02,85,475.00) | | |
| 1,43,688.82 | 3. INTEREST ACCRUED ON INVEST- MENTS | | 1,45,756.94 |
| — | 4. ADVANCE TO THE DEPOSIT INSUR- ANCE FUND, IF ANY (vide Section 27 of the Deposit Insurance Corporation Act) | | — |
| 8,990.99 | 5. OTHER ASSETS: Furniture, Fixtures and Equipment less depreciation | 9,311.82 | |
| 731.76 | Stock of stationery | 589.24 | |
| — | Prepaid expenses | 24.00 | |
| 9,722.75 | | | 9,925.06 |
| 1,02,93,012.33 | | | 1,05,38,607.85 |

MANGESH S. NADKARNI

Manager.

Bombay, 19th March, 1964.

P. C. BHATTACHARYYA *Chairman.*

M. V. RANGACHARI

A. BAKSI

G. S. DIWAN

S. N. DESAI

} *Directors.*

DEPOSIT INSURANCE

(Form

I. Revenue Account (Deposit Insurance Fund)

| Previous year Rs. nP. | EXPENDITURE | Rs. nP. | Rs. nP. |
|--------------------------|---|-------------|----------------|
| | To Insurance Losses : | | |
| — | (a) Claims written off during the year ... | — | |
| 3,00,000.00 | (b) Provision for estimated losses as at the end of the year | 1,80,000.00 | |
| 3,00,000.00 | | 1,80,000.00 | |
| — | (c) Less: Provision for estimated losses as at the beginning of the year ... Rs. 3,00,000.00 | | |
| — | Less: Excess provision (per contra) .. 1,20,000.00 | | |
| 3,00,000.00 | | 1,80,000.00 | |
| — | „ Interest on advance from Reserve Bank of India (Section 26 of the Deposit Insurance Corporation Act) | | — |
| — | „ Interest on advance from General Fund (Section 27 of the Deposit Insurance Corporation Act) | | — |
| 92,84,058.79 | „ Net accretion transferred to the Fund ... | | 1,09,86,276.71 |
| 95,84,058.79 | | | 1,09,86,276.71 |

As per our report of even date attached.

S. B. BILLIMORIA & CO.

Chartered Accountants.

Bombay, 23rd March, 1964.

CORPORATION

B)

for the year ended the 31st December 1963

| Previous year Rs. nP. | INCOME | Rs. nP. |
|--------------------------|---|----------------|
| 93,78,620.78 | By Insurance Premium (including interest) | 1,03,19,115.97 |
| 2,05,438.01 | „ Income from Investments | 5,47,160.74 |
| — | „ Excess provision for insurance losses (per contra) | 1,20,000.00 |
| 95,84,058.79 | | 1,09,86,276.71 |

MANGESH S. NADKARNI

Manager.

Bombay, 19th March, 1964.

P. C. BHATTACHARYYA

Chairman.

M. V. RANGACHARI

A. BAKSI

G. S. DIWAN

S. N. DESAI

} *Directors.*

DEPOSIT INSURANCE

(Form

II. Revenue Account (General Fund) for the

| Previous year Rs. nP. | EXPENDITURE | Rs. nP. |
|--------------------------|---|--------------------|
| 90,611.00 | To Salaries and allowances and contribution to Provident Fund | *1,18,807.45 |
| — | „ Contribution to Staff Pension and Gratuity Fund | 3,392.00 |
| 1,150.00 | „ Directors' and Committee Members' fees | 1,350.00 |
| 1,994.75 | „ Directors' and Committee Members' travelling and other allowances | — |
| 3,687.00 | „ Rent, taxes, insurance, lighting etc. | 8,460.00 |
| — | „ Establishment—travelling and halting allowances | — |
| 3,946.75 | „ Printing and stationery | 3,766.12 |
| 2,342.86 | „ Postage, telegrams and telephones | 985.98 |
| 1,000.00 | „ Auditors' fees | 1,000.00 |
| 574.00 | „ Legal charges | 2,397.50 |
| 29,168.08 | „ Miscellaneous expenses | 21,379.85 |
| 724.21 | „ Depreciation | 1,268.07 |
| 2,83,657.33 | „ Balance, being excess of income over expenditure carried down | 2,31,113.93 |
| 4,18,855.98 | | 3,93,920.90 |
| 2,23,657.33 | To Transfer to General Reserve | 2,01,113.93 |
| | „ Transfer to Other Reserves : | |
| 60,000.00 | Investment Reserve | 30,000.00 |
| 2,83,657.33 | | 2,31,113.93 |
| | *Includes Rs. 9,190.55 being arrears of salary for 1962 arising from the re-fixation of pay scales in terms of the Desai Award. | |

As per our report of even date attached.

S. B. BILLIMORIA & CO.

Chartered Accountants.

Bombay, 23rd March, 1964.

CORPORATION

B)

year ended the 31st December 1963

| <i>Previous year</i> Rs. nP. | INCOME | Rs. nP. |
|---------------------------------|---|-------------|
| 4,18,855.98 | By Income from Investments | 3,93,883.23 |
| — | „ Interest on Advance to Deposit Insurance Fund | — |
| — | „ Miscellaneous receipts | 37.67 |
| 4,18,855.98 | | 3,93,920.90 |
| 2,83,657.33 | By Balance, being excess of income over expenditure brought down | 2,31,113.93 |
| 2,83,657.33 | | 2,31,113.93 |

MANGESH S. NADKARNI

Manager.

Bombay, 19th March, 1964.

P. C. BHATTACHARYYA

Chairman.

M. V. RANGACHARI

A. BAKSI

G. S. DIWAN

S. N. DESAI

Directors.

ANNEXURE I
SUBROGATED CLAIMS OF DEPOSITORS

| | Rs. | nP. | Rs. nP. |
|---|-------------|-----|-------------|
| Total amount paid until the end of the previous year | | | NIL |
| <i>Less</i> : (i) Reimbursements received until the end of the previous year | NIL | | |
| (ii) Claims written off until the end of the previous year... | NIL | | |
| (iii) Provision for estimated losses until the end of the previous year | NIL | | |
| | | | NIL |
| Net amount paid as at the beginning of the year less provision for estimated losses | | | NIL |
| <i>Add</i> : Insured deposits paid during the year | | | 6,49,292.25 |
| | | | 6,49,292.25 |
| <i>Less</i> : (i) Reimbursements received during the year | 82,837.01 | | |
| (ii) Claims written off during the year | NIL | | |
| (iii) Provision for estimated losses made during the year... | 1,78,150.00 | | |
| | | | 2,60,987.01 |
| Net amount paid as at the end of the year less provision for estimated losses | | | 3,88,305.24 |

ANNEXURE II

INSURED DEPOSITS REMAINING UNCLAIMED AS ON THE 31st DECEMBER 1963

| | R. | nP. | R. nP. |
|--|----|-----|-------------|
| Amount outstanding at the beginning of the year | | | NIL |
| <i>Add</i> : Amount of insured deposits tendered during the year but remaining unclaimed | | | 5,97,205.08 |
| | | | 5,97,205.08 |
| <i>Less</i> : Amount claimed and paid during the year | | | NIL |
| Total insured deposits remaining unclaimed at the end of the year | | | 5,97,205.08 |

