

DEPOSIT INSURANCE CORPORATION

ESTABLISHED BY ACT OF PARLIAMENT



SIXTEENTH
ANNUAL REPORT

Every Depositor is guaranteed
repayment of his deposits upto
Rs. 20,000/- in each insured
bank

DIRECTORS' REPORT, BALANCE SHEET AND ACCOUNTS
FOR THE YEAR ENDED THE 31st DECEMBER 1977

With the Compliments of

Shri. V. S. Moharir

MANAGER

**Deposit Insurance Corporation
Bombay**

DEPOSIT INSURANCE CORPORATION

BOARD OF DIRECTORS

CHAIRMAN

Dr I. G. PATEL

Governor,
Reserve Bank of India,
Bombay.

DIRECTORS

SHRI M. RAMAKRISHNAYYA

Deputy Governor,
Reserve Bank of India,
Bombay.

Nominated by the Reserve Bank of India under section 6(1)(b) of the Deposit Insurance Corporation Act, 1961.

SHRI J. C. ROY

Director,
Government of India,
Ministry of Finance,
Department of Economic Affairs,
(Banking Division),
Parliament Street,
New Delhi.

Nominated by the Government of India under section 6(1)(c) of the Act, *ibid.*

SHRI J. R. JOSHI

Zonal Manager,
Life Insurance Corporation of India,
Madras.

Nominated by the Government of India in consultation with the Reserve Bank of India under section 6(1)(d) of the Act, *ibid.*

SHRI P. N. SHAH

Chartered Accountant
M/s. Shah & Company,
Maker Bhavan No. 2,
Bombay.

—do—

MANAGER

SHRI V. S. MOHARIR

BANKERS

RESERVE BANK OF INDIA

AUDITORS

Messrs. G. P. KAPADIA & CO.,
Chartered Accountants,
Hamam House,
Hamam Street,
Bombay-400 001.

REGISTERED OFFICE

Novelty Chambers,
8th Floor, Grant Road,
Post Bag No 4201,
Bombay-400 007.

LETTER OF TRANSMITTAL
(To the Reserve Bank of India)

DEPOSIT INSURANCE CORPORATION
Novelty Chambers, 8th Floor,
Post Bag No. 4201, Grant Road,
BOMBAY-400 007.

March 4, 1978

Ref. No. 1874/DIC 50(B)-78

Phalgun 13, 1899 (Saka)

The Secretary,
Reserve Bank of India,
Central Office,
Bombay-400 001.

Dear Sir,

Balance Sheet and Annual Report for 1977

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 :—

(i) The Balance Sheet and Accounts of the Corporation for the year ended the 31st December 1977, together with the Auditors' Report ; and

(ii) The Report of the Board of Directors on the working of the Corporation for the year 1977.

Yours faithfully,
Sd/- V. S. MOHARIR
Manager

LETTER OF TRANSMITTAL

(To the Government of India)

DEPOSIT INSURANCE CORPORATION

Novelty Chambers, 8th Floor,
Post Bag No. 4201, Grant Road,
Bombay-400 007.

March 4, 1978

Ref. No. 1875/DIC. 50 (C)-78

Phalgun 13, 1899 (Saka)

The Secretary to the Government of India,
Ministry of Finance,
Department of Economic Affairs,
(Banking Division),
Parliament Street,
New Delhi-110 001.

Dear Sir,

Balance Sheet and Annual Report for 1977

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 a signed copy each of:-

- (i) the Balance Sheet and Accounts of the Corporation for the year ended the 31st December 1977 together with the Auditors' Report; and
- (ii) the Report of the Board of Directors on the working of the Corporation for the year 1977.

2. Copies of the above Balance Sheet and the Annual Report have been furnished to the Reserve Bank of India. Three extra copies thereof are also sent herewith.

3. We may kindly be advised of the date/s on which the above documents are placed before each House of the Parliament (viz., the Lok Sabha and Rajya Sabha), under section 32(2) of the Act, *ibid.*

Yours faithfully,
Sd/- V. S. MOHARIR
Manager.

AN OUTLINE OF THE DEPOSIT INSURANCE CORPORATION

The Deposit Insurance Corporation was established on the 1st January 1962, as a fully owned subsidiary of the Reserve Bank of India, by an Act of Parliament, with the object of giving a measure of protection to depositors, particularly the smaller depositors from the risk of loss of their deposits in the event of an insured bank's inability to meet its liabilities. The insurance of bank deposits infuses confidence in the minds of the depositors and helps the growth of banking habit among the people. It also imparts stability to the banking system thereby accentuating the process of deposit mobilisation.

2. The Corporation had an initial capital of Rs. 1.00 crore, which was subsequently increased in stages to Rs. 2.00 crores as at the end of 31st December 1977, on account of expansion of the activities of the Corporation consequent upon extension of the Deposit Insurance Scheme to co-operative banks in the States which had passed the enabling legislation to their local Co-operative Societies Acts. The entire capital has been subscribed by the Reserve Bank of India.

The Corporation has two funds—General Fund and Deposit Insurance Fund. The entire share capital has been invested in Central Government Securities held in the General Fund; establishment and other expenses of the Corporation are met from the interest on these investments.

The amount of insurance premium received quarterly from banks is invested by the Corporation in Central Government Securities and held in the Deposit Insurance Fund which is utilised solely for payment of claims of the depositors. The Insurance premium received from the insured commercial and co-operative banks and the interest earned on the investments are the two sources of income for the Fund.

3. The management of the Corporation is vested in a Board of Directors, which consists of five members, viz., the Governor of the Reserve Bank (who is the Chairman, a Deputy Governor/any other officer of the Reserve Bank of India, an officer of the Central Government nominated by that Government and two non-official directors having special knowledge of commerce, industry or finance, nominated by the Central Government in consultation with the Reserve Bank of India. The Board is assisted by a three-member Executive Committee consisting of the Chairman, nominee of the Reserve Bank of India and one of the two non-official Directors.

4. Every commercial bank which is functioning in India and every eligible co-operative bank functioning in the States of Andhra Pradesh, Jammu and Kashmir, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Rajasthan, Tripura, West Bengal and Union Territories of Delhi, Goa, Daman & Diu and Pondicherry to which the Deposit Insurance Scheme has been extended by the Central Government, is registered as an insured bank with the Corporation. At present, all the 78 functioning commercial banks (including foreign banks) and 849 co-operative banks in the abovementioned States and Union Territories are registered as insured banks. Besides, 48 regional rural banks have been registered as insured banks. Thus, the total number of insured banks as on the 31st December 1977 stood at 975. All the depositors of these banks get the protection afforded by the Corporation.

5. The limit of insurance cover was originally fixed at Rs. 1,500 to a depositor in respect of all deposits held by him in an insured bank *in the same right and capacity*.
Insurance cover The limit was raised to Rs. 5,000 in 1968, to Rs. 10,000 in 1970 and further to the present level of Rs. 20,000 in 1976

6. Insured banks are required to pay to the Corporation premium on their assessable deposits.
Insurance The rate of premium which was initially fixed at 5 paise per annum for every
Premium hundred rupees of the assessable deposits, was reduced to 4 paise with effect from the 1st October 1971. The Act permits premium upto 15 paise per Rs. 100 per annum. The premium is collected quarterly from the insured banks.

7. The Corporation's liability in respect of insured deposits will arise in the event of liquidation, reconstruction or amalgamation of a bank. When a bank goes into liquidation, the Corporation arranges to pay to every depositor, directly or through the Liquidator, the amount due to him under the insurance scheme. If a bank is reconstructed or amalgamated with another bank and the scheme of reconstruction or amalgamation does not entitle the depositor to get credit for the full amount of his deposit, the Corporation will pay the reconstructed bank or the amalgamated bank such amount in respect of his deposit which, together with the amount of credit afforded to his account as mentioned above, would enable the depositor concerned to get the amount due to him under the insurance scheme.

**REPORT ON THE WORKING OF THE DEPOSIT
INSURANCE CORPORATION FOR THE YEAR
ENDED THE 31ST DECEMBER 1977**

1. GENERAL

In terms of section 32(1) of the Deposit Insurance Corporation Act, 1961, the Board of Directors present herewith the Sixteenth Annual Report of the Corporation for the year ended the 31st December 1977.

2. During the year 1977, money supply with the public recorded a larger expansion in absolute terms of Rs. 2262 crores (15.2 per cent) as compared to an increase of Rs. 2135 crores in the Indian Economy (16.9 per cent) (revised figures) in 1976. Both the components, i.e., currency with the public, which increased by Rs. 1120 crores and deposit money, which expanded by Rs. 1142 crores shared the increase almost equally. Aggregate monetary resources (i.e. money supply plus time deposits with banks) showed a smaller growth of Rs. 4538 crores (17.3 per cent) than in the previous year (Rs. 4660 crores or 21.8 per cent) (revised figures) owing mainly to lower accretions to time deposits (Rs. 2276 crores as against Rs. 2525 crores in the previous year). The expansion in money supply was primarily accounted for by the sizeable increase of Rs. 1828 crores or 17.4 per cent in net bank credit to the Government and also due to accretion of Rs. 2029 crores (Rs. 1458 crores last year) in the net foreign exchange assets of the Reserve Bank, whereas bank credit to the commercial sector expanded by Rs. 1507 crores (8.2 per cent) against an expansion of Rs. 3140 crores (24.1 per cent last year). The overall expansionary impact was, however, neutralised by a larger increase of Rs. 3137 crores in the non-monetary liabilities of the banking sector as compared with that of Rs. 3007 crores in the preceding year.

There was a drop in the agricultural production in the 1976-77 season mainly due to unfavourable weather conditions from the record level of 120.8 million tonnes in 1975-76 to 111.6 million tonnes in 1976-77. The growth rate in industrial production was also less impressive at 6.3 per cent as compared to a growth rate of 11.2 per cent in the previous year. This was, in the main, the result of smaller growth rate in the 'Basic Industries' sector and the 'consumer goods' sector. In the case of 'capital goods', however, the growth rate showed a marked improvement.

During the year 1977, the aggregate deposits of commercial banks crossed the Rs. 20,000 crore mark and stood at Rs. 20,679 crores as at the end of December 1977 as against Rs. 17,564 crores a year before and Rs. 13,628 crores two years before. The growth rate, however, was lower - the actual increase being of the order of Rs. 3115 crores (17.7 per cent) in 1977 as against an increase of Rs. 3936 crores or 28.9 per cent in 1976. Over two-thirds of the increase was in time deposits. Credit expansion showed a moderate increase of Rs. 1100 crores (8.3 per cent) as compared with Rs. 3336 crores (33.3 per cent) in 1976. The credit-deposit ratio (gross) declined to 69.3 per cent at the end of December 1977 from 75.2 per cent at the end of December 1976.

Another notable feature of the banking trends during the year was the liquidation of the commercial banks' indebtedness to Reserve Bank to a substantial extent. Banks also stepped up their investments in Government and other approved securities by Rs. 1294 crores as against an increase of Rs. 1065 crores during 1976.

The increase in the deposits with commercial banks resulted in an expansion of business of the Corporation which is reflected in an increase of Rs. 162.74 lakhs in its premium collections from Rs. 642.04 lakhs in 1976 to Rs. 804.78 lakhs in 1977.

During the year 1977, there was further improvement of the country's population served by scheduled commercial banks. On an average, there was one commercial bank office for every 20,000 persons in December 1977 as against one office for every 23,000 persons in 1976. 3348 new offices were opened during the year against 3191 offices opened in the year 1976. During the year 7 existing offices were closed down. Of the new offices, 1241 were opened by nationalised banks, 630 by the State Bank of India and its subsidiaries and 1477 by other commercial banks (including 671 branches opened by the Regional Rural Banks). 2717 of the new offices were opened in the rural and semi-urban centres, 2185 offices being in the hitherto unbanked centres. Total number of commercial bank offices increased from 23655 (revised figure) as at the end of December 1976 to 26996 as at the end of December 1977.

Although commercial banks have made commendable progress in bringing about rapid extension of banking facilities to rural and semi-urban centres, much still remained to be done, especially in view of the measures relating to liquidation of rural indebtedness which created a void in the rural credit structure. Taking into account the overall objective of providing banking facilities in the hitherto unbanked centres, it is expected that each unbanked community development block would be provided with a bank office latest by the end of June 1978.

3. The capital of the Corporation remained unchanged at Rs. 2.00 crores. The entire capital has been subscribed by the Reserve Bank of India, in terms of section 4 (2) of the Deposit Insurance Corporation Act, 1961.

4. The number of insured commercial banks remained unchanged at 78 as at the end of the year. An aggregate amount of Rs. 760.45 lakhs was collected from the commercial banks as premium during the year as against Rs. 611.97 lakhs in the preceding year.

5. During the year under review 8 Regional Rural Banks were set up and all of them were registered as insured banks. Thus, the total number of these banks increased from 40 as on the 31st December 1976 to 48 as on the 31st December 1977. A sum of Rs. 0.64 lakh was collected towards premium from these banks during the year. The names of the Regional Rural Banks registered as insured banks during the year are given in Appendix I.

973 branches were opened by the 48 banks upto the end of September 1977. Advances made by them showed nearly a five-fold increase from Rs. 6.11 crores in 77,400 borrowal accounts as at the end of November 1976 to Rs. 30.09 crores in 3,81,664 borrowal accounts as at the end of September 1977; their deposit mobilisation efforts netted Rs. 23.52 crores as on that date as against Rs. 4.65 crores as at the end of November 1976. Nearly 61.7% of borrowal accounts benefited the small and marginal farmers and agricultural labourers who accounted for over 59.4% of the outstanding advances, while rural artisans accounted for 31.8% of the borrowal accounts and about 29.7% of the advances. The remainder of advances was disbursed to farmers through co-operative societies. Thus, these banks can be said to have made a promising start towards fulfilment of the role assigned to them, i. e.,

meeting the credit gaps in the rural areas. During the year, a Committee was appointed by the Reserve Bank of India to evaluate the performance of the Regional Rural Banks in the light of the objectives for which they were set up and to suggest, inter alia, ways and means to further improve their operational efficiency.

6. As mentioned in the last Report, the Deposit Insurance Scheme was extended to the State of Karnataka with effect from the 1st January 1977 and 199 eligible insured co-operative banks in the State were registered as insured banks from that date. Subsequently, two more banks in that State were registered as insured banks. In other States where the Deposit Insurance Scheme was already in force, fourteen more eligible co-operative banks were registered during the year. State-wise break-up of the banks registered during the year is as follows :—

1. Karnataka	—	201
2. Maharashtra	—	11
3. Andhra Pradesh	—	1
4. Madhya Pradesh	—	2
		215

As against this, 5 banks were de-registered as insured banks. Out of these, two banks in Maharashtra, viz., the Aarey Milk Colony Co-operative Bank Ltd., Bombay and the Bombay Peoples' Co-operative Bank Ltd., Bombay were de-registered as insured banks as they were taken into liquidation. The remaining banks, two in Maharashtra, viz., the State Bank of India Employees (M. S. Patel) Co-operative Bank Ltd., Bombay and the Tata Mills Employees' Co-operative Credit Society Ltd., Bombay and one bank in the State of Rajasthan, viz., the Life Insurance Corporation Staff Co-operative Multipurpose Society Ltd., Ajmer were de-registered as they ceased to be co-operative banks within the meaning of section 36 A (2) of the Banking Regulation Act, 1949 (As Applicable to Co-operative Societies). Thus, the total number of insured co-operative banks increased from 639 as at the end of 1976 to 849 as at the end of 1977. A total amount of Rs. 43.69 lakhs was collected as premium from the co-operative banks during the year 1977 as against Rs. 30.00 lakhs in the previous year. A few co-operative banks defaulted in the submission of returns together with the premium. The premium due from them was, however, negligible.

Names of the co-operative banks registered and de-registered during the year are given in Appendix I.

7. As stated above, the Scheme of insurance of deposits covered co-operative banks in the States of Andhra Pradesh, Jammu & Kashmir, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Rajasthan, Tripura, West Bengal and three Union Territories, viz., Delhi, Goa, Daman & Diu and Pondicherry as at the end of 1977.

It was mentioned in the last year's report that amendments to local co-operative Societies Acts as carried out by the Governments of Uttar Pradesh, Bihar and Orissa to enable the extension of the Deposit Insurance Scheme to the co-operative banks in those States did not fully meet with the requirements of the Deposit Insurance Corporation Act. During the year,

Governments of Uttar Pradesh and Bihar carried out further amendments to their respective Acts. In the case of Uttar Pradesh the enactment was found to be in order but the extension of the Deposit Insurance Scheme was held up pending completion of certain formalities. The matter is being vigorously pursued with the State Government by the Reserve Bank of India and it is expected that the necessary formalities would be completed expeditiously so as to enable the Corporation to extend the Deposit Insurance Scheme to the eligible co-operative banks in that State in the near future. In the case of Bihar, the draft amendments to the Co-operative Societies Act have been found to be in order. The State Government is taking further action in the matter. In the case of Orissa, which has passed the amendment Act in 1975, the extension of the Scheme has been held up pending further amendments thereto on the lines suggested by the Legal Department of the Reserve Bank of India. As regards Manipur, although the necessary amendment was duly passed in 1976 as reported in the last year's report, yet the extension of the Deposit Insurance Scheme was held up pending certain rectifications.

During the year, the State Government of Gujarat promulgated an Ordinance in November 1977 amending the Gujarat Co-operative Societies Act. But the provisions thereof do not fully meet with the requirements of the Deposit Insurance Corporation Act and the Government was advised accordingly.

The number of co-operative banks in the above five States where steps to extend the Deposit Insurance Scheme have been initiated is about 429. Efforts are also being made to persuade the remaining State Governments to take expeditious action to amend their Co-operative Societies Act to enable the Corporation to extend the Deposit Insurance Scheme to these States. It may be mentioned that the total number of co-operative banks in States/Union Territories to which the Deposit Insurance Scheme is yet to be extended is nearabout 638.

Trend of Insured banks

8. The number of banks (commercial and co-operative) covered under the insurance scheme, from year to year since 1962, is given in Table I below :

Table I

Year	No. of registered banks at the commencement of the year	No. of banks registered during the year	No of banks deregistered			No. of registered banks at the close of the year (2+3-6)
			Where Corporation's liability			
			was attracted	was not attracted	Total (4+5)	
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1962	287	—	2	9	11	276
1963	276	—	1	25	26	250
1964	250	1@	6	88	94	157
1965	157	—	—	48	48	109
1966	109	1@	2	8	10	100
1967	100	—	—	9	9	91
1968	91	—	—	3	3	88
1969	88	—	2	1	3	85
1970	85	—	1	1	2	83
1971	83	385**	—	3	3§	465
1972	465	16@	—	5	5@	476
1973	476	18@	—	2	2@	492
1974	492	37@	—	3	3@	526
1975	526	88@@	—	3	3§	611
1976	611	155£	3**	6	9@	757
1977	757	223*	2**	3	5**	975

* 8 Regional Rural Banks and 215 co-operative banks.

@ Includes one commercial bank.

** All these are co-operative banks.

§ Includes two commercial banks.

@@ 5 Regional Rural Banks and 83 co-operative banks.

£ 35 Regional Rural Banks and 120 co-operative banks.

Note :—Break-up of insured banks at the end of 1975-1977.

Year	NO. OF INSURED BANKS			Total
	Commercial	Regional Rural	Co-operative	
1975	79	5	527	611
1976	78	40	639	757
1977	78	48	849	975

The number of insured banks declined gradually from 287 as at the beginning of the year 1962 to 83 at the end of 1970 as a result of the policy followed by the Reserve Bank of India, of reconstruction and amalgamation of small and financially weak banks, in order to make the banking system more viable. The substantial increase in the number of insured banks since then is mainly due to the extension of the Deposit Insurance Scheme to the co-operative banks.

During the year 1977, five co-operative banks were de-registered as mentioned in paragraph 6 above. The Corporation's liability was, however, attracted in the case of only two co-operative banks as indicated in paragraph 14 below. As already stated, 223 banks (215 co-operative banks and 8 Regional Rural Banks) were included in the list of insured banks. Thus, the total number of insured banks increased from 757 as at the end of 1976 to 975 as at the end of 1977.

9. The rate of insurance premium which was reduced from 5 paise per Rs. 100 per annum to 4 paise per Rs. 100 per annum with effect from the 1st October 1971 remained unchanged.

10. A statement showing the extent of protection afforded by the Corporation to the depositors of insured banks (commercial and co-operative) from year to year since its inception in 1962 is given in Table II.

TABLE II

(Amounts in crores of rupees)

As on the last Friday of	No. of fully protected accounts@	Total No. of accounts	% of (2) to (3)	Insured deposits£	Total assessable deposits	% of (5) to (6)
(1)	(2)	(3)	(4)	(5)	(6)	(7)
December, 1961 ..	55,41,652	70,58,448	78.5	392.32	1,693.75	23.1
September, 1962 ..	59,77,420	77,03,548	77.6	448.00	1,895.27	23.6
September, 1963 ..	66,52,066	85,86,932	77.5	500.16	2,106.78	23.7
September, 1964 ..	76,26,226	98,37,176	77.5	574.37	2,437.29	23.6
September, 1965 ..	88,97,805	1,15,75,916	76.9	690.62	2,743.94	25.2
September, 1966 ..	1,03,64,153	1,35,63,618	76.4	824.29	3,236.31	25.5
September, 1967 ..	1,18,66,532	1,55,25,841	76.4	942.91	3,603.49	26.2
September, 1968 ..	1,59,52,273	1,75,47,550	90.9	2,022.79	4,011.88	50.4
September, 1969 ..	1,86,09,051	2,05,01,104	90.8	2,374.05	4,670.08	50.8
September, 1970 ..	2,30,38,555	2,39,78,702	96.1	3,410.66	5,447.90	62.6
September, 1971 ..	2,98,86,359	3,10,19,892	96.3	4,224.49	6,801.43	62.1
September, 1972 ..	3,27,96,030	3,40,64,304	96.3	4,655.46	7,457.55	62.4
September, 1973 ..	3,98,80,532	4,15,27,098	96.0	5,852.00	9,152.36	63.9
September, 1974 ..	4,56,91,443	4,76,45,852	95.9	6,800.85	10,624.17	64.0
September, 1975* ..	5,75,98,438	6,03,55,072	95.4	8,832.36	13,493.54	65.5
September, 1976* ..	7,18,02,903	7,30,25,000	98.3	11,827.46	16,587.89	71.3
(Revised)						
September, 1977*† ..	8,40,39,116	8,55,38,869	98.2	14,155.33	19,892.46	71.1

@ i. e., number of accounts with balances not exceeding Rs. 1,500 till the end of 1967, Rs. 5,000 till 31st March 1970, Rs. 10,000 till 30th June 1976 and Rs. 20,000 thereafter.

£ i. e., deposits upto Rs. 1,500 in all accounts till the end of 1967, Rs. 5,000 till 31st March 1970, Rs. 10,000 till 30th June 1976 and Rs. 20,000 thereafter.

* Include the figures of 479, 584 and 745 reporting co-operative banks in 1975, 1976 and 1977 respectively.

† Provisional.

Notes :—(1) Lakh = 100,000; 10 lakhs = 1 million
1 crore = 10 million

(2) Rs. 100 = £ 6.8007
Rs. 100 = US \$ 11.5175 } (as on 30th September 1977)

It will be seen that the ratio of insured deposits to the total assessable deposits rose progressively from 23.1% as at the end of 1961 to 26.2% in 1967. Thereafter, the ratio increased sharply to 50.4% in 1968 due to enhancement of the insurance cover from Rs. 1,500 to Rs 5,000. Again, it rose from 50.8% in 1969 to 62.6% in 1970 on account of further increase in the insurance cover to Rs. 10,000. The ratio marginally declined to 62.1% in 1971, but thereafter increased to 63.9% in 1973 and further to 65.5% in 1975. In 1976, this ratio sharply improved to 71.3% (revised) in the wake of further enhancement of the insurance limit to Rs. 20,000. During the year under review, the ratio declined to 71.1%. The figures for the last three years include 479, 584 and 745 reporting co-operative banks respectively.

The percentage of the number of fully protected accounts to the total number of deposit accounts declined slightly from 78.5% in 1961 to 76.4% in 1966, but thereafter it [increased sharply to 90.9% in 1968 and further to 96.1% in 1970 due to the increase in the insurance limit as stated above (as also the inclusion of a number of co-operative banks in the Scheme) and slightly declined to 95.4% in 1975. In 1976, the ratio registered a remarkable increase to 98.3%. During the year under review, however, it marginally declined to 98.2%. The balance of 1.8% represents the percentage of accounts that are partially protected by insurance.

11. The deposits in fully protected accounts and partially protected accounts formed 56.1% and 43.9% respectively of the total assessable deposits as will be seen in the particulars furnished in Table III. The corresponding percentages for 1976 stood at 56.6% and 43.4% respectively. Thus, the proportion of deposits in fully protected accounts in total deposits continued to be larger which, as reported last year, is in sharp contrast to the trend of earlier years when the greater bulk of assessable deposits was held in the partially protected accounts. As compared to the percentage of deposits in fully protected accounts at 9.7 at the end of 1961, the relative percentage stood at 56.1% at the end of 1977, thus representing a good record of progress.

Table III

(Amounts in crores of rupees)

	1976 (Revised)	1977
1. Total assessable deposits	16,587.89	19,892.46
2. Deposits in fully protected accounts (i.e., deposits upto Rs. 20,000/-)	9,387.93	11,156.35
3. Deposits in partially protected accounts (i.e., deposits over Rs. 20,000/-)	7,199.96	8,736.11
% of (2) to (1)	56.6	56.1
% of (3) to (1)	43.4	43.9

Note :- As brought out in paragraph 10 of the report, the partially protected accounts constitute approximately 1.8% of the total number of accounts.

12. The coverage of the insured accounts and insured deposits of the commercial banks according to their size is indicated in Appendix II and a similar analysis in respect of insured co-operative banks is given in Appendix III.

The percentage of fully protected accounts to total number of accounts continues to be high in the case of smaller commercial banks. In fact, the proportion of fully protected

accounts to total number of deposit accounts in 1977 worked out to 99.9% in the case of small-sized commercial banks with assessable deposits of Rs. 1.00 crore or less; the relative percentage for medium-sized commercial banks (with deposits exceeding Rs. 1.00 crore but upto Rs. 50.00 crores) varied between 99.4% to 98.6%, while it ranged between 99.1% and 98.0% in the case of bigger banks with assessable deposits exceeding Rs. 50.00 crores. As regards the coverage of the amount of deposits, the ratio varied from 72.0% to 71.3% in the case of bigger banks and 60.8% to 80.4% in the case of medium-sized banks, while it varied from 74.4% to 79.7% for the small banks referred to above. In the case of Regional Rural Banks, the percentage of fully protected accounts to total accounts stood at 99.9 and the percentage of insured deposits to total deposits worked out to 82.5 indicating a near total coverage.

The position was more or less similar in the case of co-operative banks, as will be seen from Appendix III. Thus, the relative percentage of fully protected accounts and insured deposits worked out to 99.7% and 88.8% in the case of co-operative banks with assessable deposits of Rs. 1.00 crore or less to 99.5% and 75.4% for banks with deposits between Rs. 1.00 crore and Rs. 10.00 crores and to 99.3% and 54.9% in respect of banks with deposits between Rs. 10.00 crores and Rs. 25.00 crores. In case of primary co-operative banks, the insurance cover extended upto 99.5% of the accounts and 87.8% of their deposits; the relative ratios worked out to 99.4% and 74.1% in the case of District Central Co-operative Banks and stood at 98.1% and 28.5% for the State Co-operative banks.

II. ACCOUNTS

13. The Balance Sheet and revenue account of the Corporation, showing separately the position of the two funds, viz., the Deposit Insurance Fund and the General Fund, as at the close of business on the 31st December 1977, together with the auditor's report thereon, are attached.

14. During the year, income from insurance premium (including interest) was higher at Rs. 804.78 lakhs, as compared to Rs. 642.04 lakhs in the preceding year, mainly due to the increase in assessable deposits. The income from the investments was also higher at Rs. 341.94 lakhs, as compared to Rs. 274.42 lakhs in the previous year. As regards commercial banks, in view of the improved position regarding the prospects of recovery from the transferee banks where the Corporation had met its claims, the provision for insurance loss in respect of commercial banks was reduced from Rs. 31.00 lakhs to Rs. 30.45 lakhs during the year. A sum of Rs. 4.62 lakhs was, however, paid to the Liquidators of two co-operative banks, viz., Ghatkopar Janata Sahakari Bank Ltd. and the Malvan Co-operative Urban Bank Ltd. which were taken into liquidation during the previous year. The provision made in respect of co-operative banks where claims had been met was increased from Rs. 5.73 lakhs to Rs. 8.86 lakhs. The Corporation had also to make a provision in respect of two other co-operative banks taken into liquidation, viz., the Aaroy Milk Colony Co-operative Bank Ltd. and the Bombay Peoples' Co-operative Bank Ltd, but whose claims have not yet been met, to the extent of Rs. 3.47 lakhs (vide Appendix VI). In view of this, a provision of Rs. 4.70 lakhs made last year in respect of such two co-operative banks has been reduced by Rs. 1.23 lakhs. Thus, the total provision for the probable insurance loss in respect of commercial and co-operative banks had to be raised by Rs. 1.35 lakhs. After making the necessary provision from the revenue account of the current year, the net surplus of Rs. 1,145.38 lakhs (Rs. 915.53 lakhs in the previous year) has, therefore, been transferred to the Deposit Insurance Fund, thereby raising the fund from Rs. 5,126.75 lakhs in 1976 to Rs. 6,272.13 lakhs at the end of 1977. The Fund now constitutes 0.44% of the total insured deposits.

15. The Deposit Insurance Fund of Rs. 6,272.13 lakhs mentioned above has been built up mainly out of the insurance premium received from all insured banks (both commercial and co-operative) and income from investments. Separate accounts are not maintained for the amounts received from the insured co-operative banks. However, taking into account the premium received from co-operative banks only and the interest on investments on the relative amount on a notional basis, the Deposit Insurance Fund attributable to co-operative banks as at the end of 1977 would work out to Rs. 157.64 lakhs (vide particulars given in Appendix IV), which constitutes nearabout 0.22% of the total insured deposits at Rs. 71,050.29 lakhs of the insured co-operative banks which have submitted the returns. From the date the scheme was extended to co-operative banks, claims amounting to Rs. 10.35 lakhs have been met by the Corporation. However, an amount of Rs. 3.47 lakhs has been provided for in respect of two co-operative banks taken into liquidation as mentioned earlier and claims in respect of them are expected from the Liquidators concerned.

16. The growth of the Deposit Insurance Fund and the percentage of the relative amount to the total assessable deposits from year to year, since its inception in 1962, are shown in Table IV below. It will be seen therefrom that the ratio of the Fund to the total assessable deposits increased progressively from 0.05% in 1962 to 0.32% in 1970. This ratio has shown marginal fluctuations thereafter and stood at 0.32% in 1977.

As regards the position of the Fund vis-a-vis the insured deposits, relative ratio also gradually increased from 0.20% in 1962 to 0.91% in 1967. In 1968, the ratio declined to 0.55%, due to the raising of the insurance cover of deposits from Rs. 1,500 to Rs. 5,000. Thereafter, the ratio recovered slightly to 0.60% in 1969 but declined to 0.51% in 1970 following the raising of the cover to Rs. 10,000. This ratio further declined to 0.43% in 1976 due to increase in the insurance limit from Rs. 10,000 to Rs. 20,000 from 1st July 1976; in 1977 it marginally improved to 0.44%.

Table IV

As at the end of	Amount of the Fund (in lakhs of rupees)	Percentage of the Fund to	
		assessable deposits	insured deposits
1962	92.84	0.05	0.20
1963	202.70	0.10	0.40
1964	320.67	0.13	0.56
1965	436.63	0.17	0.68
1966	648.29	0.20	0.79
1967	859.37	0.24	0.91
1968	1,113.49	0.28	0.55
1969	1,414.47	0.30	0.60
1970	1,731.27	0.32	0.51
1971	2,096.84	0.31	0.50
1972	2,541.35	0.31	0.55
1973	3,063.32	0.33	0.52
1974	3,461.76	0.33	0.51
1975	4,211.22	0.32	0.50
1976	5,126.75	0.31	0.43
1977	6,272.13	0.32	0.44

17. In terms of section 25 of the Deposit Insurance Corporation Act, 1961, the amount held in the Deposit Insurance Fund is invested entirely in Central Government Securities. The face value of the investments, stood at Rs. 65.31 crores at the end of 1977. Of the above investments, a sum of Rs. 1.50 crores is attributable, on a notional basis, to the premium received from the insured co-operative banks (as indicated in Appendix IV).

The total market value of the investments in the above Fund as on the 31st December 1977 stood at Rs. 62.32 crores, as against their book value (cost price) at Rs. 64.89 crores showing a depreciation of Rs. 2.57 crores in relation to the book value (vide Appendix V). The existing provision of Rs. 3.16 crores is sufficient to cover the depreciation in the investments.

18. After taking into account the claims at Rs. 4.62 lakhs paid by the Corporation during the year (vide paragraph 15 of the Report), the total amount of claims paid or provided for in respect of 14 commercial and 3 co-operative banks stood at Rs. 123.33 lakhs at the end of the year.

19. During the year, a total amount of Rs. 2.28 lakhs was received by the Corporation from one transferee bank, viz., State Bank of India in respect of Bank of Behar Ltd. Total repayments so far received in respect of the subrogated claims of fourteen commercial banks since the inception of the Corporation amount to Rs. 72.73 lakhs, including repayments in full received from two banks (viz., Bank of China—Rs. 9.25 lakhs and Shree Jadeya Shankarl'ing Bank L'd.—Rs. 0.12 lakh.) No repayments have been received in respect of co-operative banks. The balance of subrogated claims still to be recovered from the remaining twelve commercial banks and three co-operative banks, therefore, amounts to Rs. 50.65 lakhs (vide Appendix VI). After reviewing the realisability of the assets held in the collection accounts of the banks or with the Custodian/Liquidators vis-a-vis the prospects or receiving further pro-rata payment in respect of the balance of Rs. 50.65 lakhs due to the Corporation, the existing provision for insurance loss of Rs. 36.73 lakhs has been increased by Rs. 2.58 lakhs to Rs. 39.31 lakhs. Provision made in respect of co-operative banks in liquidation whose claims have not been met has been reduced from Rs. 4.70 lakhs to Rs. 3.47 lakhs. Thus, there has been a net increase of provision made for insurance loss by Rs. 1.35 lakhs (vide Revenue Account of the Deposit Insurance Fund).

20. During the year, two co-operative banks, viz., the Aarey Milk Colony Co-operative Bank Ltd. and the Bombay Peoples' Co-operative Bank Ltd. were taken into liquidation consequent upon the issue of the orders by the Registrar of Co-operative Societies, Maharashtra. As the exact liability that the Corporation may have to meet in the near future could not be ascertained, a provision of Rs. 3.47 lakhs has been made (vide Appendix VI). In view of this, the provision of Rs. 4.70 lakhs made last year in respect of co-operative banks has been reduced by Rs. 1.23 lakhs (vide paragraph 19 above).

21. While the claims in respect of deposits are met from the Deposit Insurance Fund, the expenses of the management of the Corporation are met from the income in the General Fund

which is derived from the investment of the Capital (provided by the Reserve Bank of India) and the reserves. The investment is made in Central Government Securities.

General Fund— The income of the General Fund for the year 1977 amounted to Rs. 13.07 lakhs,
Revenue Account while establishment and other expenses aggregated Rs. 11.58 lakhs leaving a surplus of Rs. 1.49 lakhs which was much lower than that of the preceding year at Rs. 2.89 lakhs. The increase in establishment expenses is mainly due to augmentation of certain staff consequent upon the increase in the number of insured banks, upward revision of dearness allowance for all categories of staff and increase in the rent paid by the Corporation. As the balance held in the Investment Reserve Account at Rs. 13.00 lakhs is adequate to cover the depreciation in investments at Rs. 8.85 lakhs, the entire surplus in the Revenue Account at Rs. 1.49 lakhs has been transferred to the General Reserve Account raising it from Rs. 21.26 lakhs to Rs. 22.75 lakhs.

22. The book value (i. e., the cost price) of the investments held in the General Fund as at the close of the year 1977 stood at Rs. 233.67 lakhs. Their market value amounted to Rs. 227.82 lakhs showing a depreciation of Rs. 8.85 lakhs for which adequate provision has been made as mentioned in paragraph 21 above.

Investment in
General Fund

III. Management

23. Shri K. R. Puri, Governor, Reserve Bank of India and Chairman of the Corporation retired from the Bank's service with effect from 2nd May 1977 and Shri M. Narasimham was appointed as Governor of the Bank with effect from 3rd May 1977 and became Chairman of the Corporation from that date. Shri M. Narasimham relinquished office as Governor of the Reserve Bank of India on 30th November 1977 and Dr. I. G. Patel, until recently Deputy Administrator of the United Nations Development Programme, assumed charge as ex-officio Chairman of the Corporation under section 6 (1) (a) of Deposit Insurance Corporation Act, 1961 with effect from 1st December 1977 on his appointment as Governor of the Bank.

Board of Directors
and Executive
Committee

Dr. R. K. Hazari, Deputy Governor, Reserve Bank of India was nominated by the Reserve Bank of India as a Director of the Corporation with effect from the 14th February 1977 *vice* Shri J. C. Luther who relinquished office as Deputy Governor of the Reserve bank of India on 13th February 1977. Dr. Hazari, however, ceased to be a Director of the Corporation with effect from 26th November 1977 on completion of his term with the Reserve Bank.

Dr. K. S. Krishnaswamy, Deputy Governor, Reserve Bank of India was nominated by the Reserve Bank of India as a Director *vice* Dr. R. K. Hazari with effect from 5th December 1977 and served in that capacity upto 5th January 1978 when Shri M. Ramakrishnayya, Deputy Governor, Reserve bank of India was nominated as a Director of the Corporation.

The Board records its appreciation of the valuable services rendered by the Chairmen and Directors who retired from the directorship during the year.

Five meetings of the Board of Directors of the Corporation were held during the year under review while the Executive Committee met four times. All the meetings were held in Bombay.

24. During the year under review, the Corporation brought out the Hindi version of the Annual Report on its working for the year 1976 and relative Balance Sheet and Revenue

Accounts. Letters and other communications received in Hindi from the Promotion of Hindi members of the public and certain co-operative banks were replied in Hindi. Further, notifications and press notes were issued both in Hindi and English.

25. The Corporation continued to supply, free of cost to all insured banks, copies of posters in English, Hindi and 12 other regional languages, detailing the protection afforded to the bank depositors by the Corporation. Queries received from banks, other institutions and individuals were promptly attended to and duly replied.

26. The Corporation has at present only one office located in Bombay. The Reserve Bank of India is making available to it the requisite staff, office accommodation and other incidental facilities, as hitherto. The relative expenses are, however, reimbursed to the Bank on an agreed basis. The Board records its appreciation of the whole-hearted co-operation extended by the staff at all levels throughout the year.

27. In terms of section 29(1) of the Deposit Insurance Corporation Act, 1961, the Board of Directors, with the previous approval of the Reserve Bank of India, appointed Messrs. G. P. Kapadia & Co., Chartered Accountants, Bombay as auditors of the Corporation for the year 1977.

28. During the year under review, trainees from the College of Agricultural Banking, Pune and Dhananjayrao Gadgil Co-operative Training College, Nagpur representing co-operative banks, Regional Rural Banks and Co-operative departments from various parts of the Country visited the Corporation as a part of their training programme when the trainees were fully acquainted with the functional aspects of the Corporation.

Before concluding it may be mentioned that it has been decided that the working of the Credit Guarantee Corporation of India Ltd. be taken over by the Deposit Insurance Corporation. A Bill to this effect is expected to be moved in the budget session of the Parliament.

For and on behalf of the Board of Directors

I. G. PATEL

Chairman

Bombay, 27th February, 1978.

APPENDIX I

A. Names of the Banks Registered as insured banks during the year 1977

Regional Rural Banks

1. Sultanpur Kshetriya Gramin Bank, Sultanpur (Uttar Pradesh)
2. Uttar Banga Kshetriya Gramin Bank, Cooch-Bihar (West Bengal)
3. Pandyan Grama Bank, Sattur (Tamil Nadu)
4. Vaishali Kshetriya Gramin Bank, Muzaffarpur (Bihar)
5. Monghyr Kshetriya Gramin Bank, Monghyr (Bihar)
6. Bundelkhand Kshetriya Gramin Bank, Tikamgarh (Madhya Pradesh)
7. Santhal Parganas Gramin Bank, Dumka, Dist. Santhal Parganas, (Bihar)
8. Hardoi-Unnao Gramin Bank, Hardoi (Uttar Pradesh)

Co-operative Banks

Andhra Pradesh

9. Gurazala Vasavi Co-operative Urban Bank Ltd., Gurazala, Dist. Guntur (P)

Madhya Pradesh

10. Betul Nagrik Sahakari Bank Maryadit, Betul (P)
11. Jabalpur Nagrik Sahakari Bank Ltd., Jabalpur (P)

Maharashtra

12. Shree Laxmi Co-operative Bank Ltd., Pune (P)
13. Sharad Sahakari Bank Ltd., Manchar, Ambegaon Taluka, Dist. Pune (P)
14. Mangalwedha Urban Co-operative Bank Ltd., Mangalwedha, Dist. Sholapur (P)
15. Shri Satyavijay Sahakari Bank Ltd., Kundal, Taluka Tasgaon, Dist. Sangli (P)
16. Sanmitra Sahakari Bank Ltd., Hadapsar, Pune (P)
17. Muslim Co-operative Urban Bank Ltd., Pune (P)
18. Gandhibag Navyug Urban Co-operative Bank Ltd., Nagpur (P)
19. Gautam Sahakari Bank Ltd., Kolpewadi, Kopargaon Taluka, Dist. Ahmednagar (P)
20. Murgharajendra Sahakari Bank Ltd., Miraj, Dist. Sangli (P)
21. Shree Panchganga Nagri Sahakari Bank Ltd., Kolhapur (P)
22. Mangal Co-operative Bank Ltd., Goregaon, Bombay (P)

Karnataka

State Co-operative Bank

23. Karnataka State Co-operative Apex Bank Ltd., Bangalore

District Central Co-operative Banks

24. Bangalore District Co-operative Central Bank Ltd., Bangalore
25. Belgaum District Central Co-operative Bank Ltd., Belgaum
26. Belgaum District Industrial Co-operative Bank Ltd., Belgaum
27. Bellary District Co-operative Central Bank Ltd., Hospet
28. Bijapur District Central Co-operative Bank Ltd., Bijapur
29. Bijapur District Industrial Co-operative Bank Ltd., Bagalkot
30. Chikmagalur District Co-operative Central Bank Ltd., Chikmagalur
31. Chitradurg District Co-operative Central Bank Ltd., Chitradurg
32. Coorg District Co-operative Central Bank Ltd., Mercara
33. Dharwar District Industrial Co-operative Bank Ltd., Hubli
34. District Co-operative Central Bank Ltd., Bidar
35. Gulbarga District Co-operative Central Bank Ltd., Gulbarga
36. Hassan District Co-operative Central Bank Ltd., Hassan
37. Kanara District Co-operative Central Bank Ltd., Sirsi
38. Karnataka Central Co-operative Bank Ltd., Dharwar
39. Karnataka Industrial Co-operative Bank Ltd., Bangalore
40. Kolar District Co-operative Central Bank Ltd., Kolar
41. Mandya District Co-operative Central Bank Ltd., Mandya
42. Mysore District Co-operative Central Bank Ltd., Mysore City
43. Raichur District Co-operative Central Ltd., Raichur
44. Shimoga District Co-operative Central Bank Ltd., Shimoga
45. South Canara Central Co-operative Bank Ltd., Mangalore
46. Tumkur District Co-operative Central Bank Ltd., Tumkur

Primary Co-operative Banks

47. Akkialur Urban Co-operative Bank Ltd., Hangal
48. Alnavar Urban Co-operative Bank Ltd., Alnavar
49. Ankola Urban Co-operative Bank Ltd., Ankola
50. Arsikere Urban Co-operative Credit Bank Ltd., Arsikere
51. Arya Vaishya Co-operative Bank Ltd., Hosur
52. Azad Co-operative Credit Bank Ltd., Gadag
53. Azad Urban Co-operative Credit Bank Ltd., Hubli
54. Bagewadi Shri Basaveshwar Urban Co-operative Bank Ltd., Bagewadi
55. Bailhongal Merchants' Co-operative Bank Ltd., Bailhongal
56. Bailhongal Urban Co-operative Bank Ltd., Bailhongal
57. Bangalore Central Co-operative Bank Ltd., Bangalore
58. Bangalore City Co-operative Bank Ltd., Bangalore
59. Bannikop Urban Co-operative Credit Bank Ltd., Bannikop
60. Bapuji Co-operative Bank Ltd., Davangere
61. Bedkihal Urban Co-operative Credit Bank Ltd., Bedkihal
62. Belgaum Catholic Co-operative Credit Bank Ltd., Belgaum
63. Belgaum Muslim Co-operative Credit Bank Ltd., Belgaum
64. Belgaum Pioneer Urban Co-operative Credit Bank Ltd., Belgaum
65. Bellad-Bagewadi Urban Co-operative Credit Bank Ltd., Bellad Bagewadi
66. Bellary Co-operative City Bank Ltd., Bellary

67. Bellatti Urban Co-operative Credit Bank Ltd., Bellatti
68. Bhadravati Town Co-operative Bank Ltd., Bhadravati
69. Bharat Co-operative Bank Ltd., Bangalore
70. Bhatkal Urban Co-operative Bank Ltd., Bhatkal
71. Bhavasara Kshatriya Co-operative Bank Ltd., Bangalore
72. Bhavasara Kshatriya Co-operative Credit Bank Ltd., Talikoti
73. Bijapur Mahalaxmi Urban Co-operative Credit Bank Ltd., Bijapur
74. Bijapur Shri Siddeswar Urban Co-operative Bank Ltd., Bijapur
75. Cardamom Merchants' Co-operative Bank Ltd., Haveri
76. Chadchan Urban Co-operative Bank Ltd., Chadchan
77. The Challakere Urban Co-operative Bank Ltd., Challakere
78. Chikodi Urban Co-operative Credit Bank Ltd., Chikodi
79. Citizen Co-operative Bank Ltd., Bangalore
80. City Co-operative Bank Ltd., Mysore
81. The City Co-operative Bank Ltd., Hassan
82. City Co-operative Bank Ltd., Shimoga
83. Co-operative Bank Ltd., Chikanayakanahalli
84. Co-operative Urban Bank Ltd., Gulbarga
85. Davangere Urban Co-operative Bank Ltd., Davangere
86. Davangere-Harihara Urban Co-operative Bank Ltd., Davangere
87. Deccan Co-operative Urban Bank Ltd., Bijapur
88. Gadag Co-operative Urban Bank Ltd., Gadag
89. Gandhi Gunj Primary Co-operative Bank Ltd., Bidar
90. Gokak Urban Co-operative Credit Bank Ltd., Gokak
91. Graduates' Co-operative Bank Ltd., Mysore
92. Grain Merchants' Co-operative Bank Ltd., Bangalore
93. Haliyal Urban Co-operative Credit Bank Ltd., Haliyal
94. Hangal Urban Co-operative Credit Bank Ltd., Hangal
95. Harugeri Urban Co-operative Credit Bank Ltd., Harugeri
96. Haveri Urban Co-operative Bank Ltd., Haveri
97. Hirekerur Urban Co-operative Bank Ltd., Hirekerur
98. Hiriyur Urban Co-operative Bank Ltd., Hiriyur
99. Honavar Urban Co-operative Bank Ltd., Honavar
100. Hospet Co-operative City Bank Ltd., Hospet
101. Hotel Industrialists Co-operative Bank Ltd., Bangalore
102. Hubli Dharwar Urban Co-operative Credit Bank Ltd., Dharwar
103. Hubli Urban Co-operative Bank Ltd., Hubli
104. Hukeri Urban Co-operative Bank Ltd., Hukeri
105. The Ilkal Urban Co-operative Bank Ltd., Ilkal
106. Jamkhandi Urban Co-operative Bank Ltd., Jamkhandi
107. Janatha Co-operative Bank Ltd., Bangalore
108. Janatha Seva Co-operative Bank Ltd., Bangalore
109. Jijamata Mahila Sahakari Society Ltd., Belgaum
110. Kalghatgi Urban Co-operative Bank Ltd., Kalghatgi
111. Karnatak Kurubar Co-operative Credit Bank Ltd., Gadag
112. Karnatak Urban Co-operative Bank Ltd., Muddebihal
113. Karwar Urban Co-operative Bank Ltd., Karwar
114. Katkol Urban Co-operative Credit Bank Ltd., Katkol

115. Kaujalagi Urban Co-operative Credit Bank Ltd., Gokak
116. Khanapur Urban Co-operative Credit Bank Ltd., Khanapur
117. Kolar Urban Co-operative Bank Ltd., Kolar
118. Kumta Urban Co-operative Bank Ltd., Kumta
119. Laxmeshwar Urban Co-operative Credit Bank Ltd., Laxmeshwar
120. Laxmi Urban Co-operative Credit Bank Ltd., Gajendragad
121. Mahaveer Co-operative Credit Bank Ltd., Belgaum
122. Mallapur Urban Co-operative Credit Bank Ltd., Gokak
123. Malleswaram Co-operative Bank Ltd., Bangalore
124. Mangalore Catholic Co-operative Bank Ltd., Mangalore
125. Mangalore Co-operative Town Bank Ltd., Mangalore
126. Manihal Urban Co-operative Credit Bank Ltd., Manihal
127. Manoli Shri Panchalingeshwar Urban Co-operative Credit Bank Ltd., Manoli
128. Maratha Co-operative Bank Ltd., Hubli
129. Maratha Co-operative Credit Bank Ltd., Belgaum.
130. Mercara Town Co-operative Bank Ltd., Mercara
131. Merchants' Co-operative Bank Ltd., Chitradurga
132. Merchants' Co-operative Bank Ltd., Tiptur
133. Shree Basaveshwar Co-operative Bank Ltd., Belgaum
134. Merchants' Liberal Co-operative Credit Bank Ltd., Gadag
135. Merchants' Urban Co-operative Bank Ltd., Gadag
136. Mudalagi Urban Co-operative Credit Bank Ltd., Mudalagi
137. Mudhol Urban Co-operative Bank Ltd., Mudhol
138. Mulgund Urban Co-operative Credit Bank Ltd., Mulgund
139. Muslim Co-operative Society Ltd., Mysore
140. Mysore Co-operative Bank Ltd., Mysore
141. Mysore Merchants' Co-operative Bank Ltd., Mysore
142. Mysore Silk Cloth Merchants' Co-operative Bank Ltd., Bangalore
143. Mysore Textile Manufacturers' Co-operative Bank Ltd., Bangalore
144. National Co-operative Bank Ltd., Bangalore
145. Navakalyan Co-operative Bank Ltd., Hubli
146. Nehru Nagar Co-operative Bank Ltd., Bangalore
147. The Nesargi Urban Co-operative Credit Bank Ltd., Nesargi
148. Nipani Urban Co-operative Credit Bank Ltd., Nipani
149. Pachhapur Urban Co-operative Credit Bank Ltd., Pachhapur
150. The Pragathi Co-operative Bank Ltd., Bangalore
151. Puttur Co-operative Town Bank Ltd., Puttur
152. Rabkavi Urban Co-operative Bank Ltd., Rabkavi
153. Raddi Co-operative Credit Bank Ltd., Dharwar
154. Raibag Urban Co-operative Bank Ltd., Raibag
155. Raichur City Urban Co-operative Bank Ltd., Raichur
156. Rajajinagar Co-operative Bank Ltd., Bangalore
157. Ramdurg Urban Co-operative Credit Bank Ltd., Ramdurg
158. Sadalga Urban Co-operative Credit Bank Ltd., Sadalga
159. Savanur Urban Co-operative Bank Ltd., Savanur
160. Shedbal Urban Co-operative Credit Bank Ltd., Shedbal
161. Shimoga Arecanut Mandy Merchants' Co-operative Bank Ltd., Shimoga
162. Shiralkoppa Urban Co-operative Bank Ltd., Shiralkoppa

163. Shiva Co-operative Bank Ltd., Davangere
164. Shree Basaveswara Urban Co-operative Bank Ltd., Ranebennur
165. Shri Basaweshwar Urban Co-operative Bank Ltd., Bagalkot
166. Shree Gajanan Urban Co-operative Bank Ltd., Byadgi
167. Shree Mahabaleshwar Urban Co-operative Credit Bank Ltd., Gokarn
168. Shree Mahalaxmi Urban Co-operative Credit Bank Ltd., Dharwar
169. Shree Ram Co-operative Urban Bank Ltd., Nipani
170. Shree Tukaram Urban Co-operative Credit Bank Ltd., Belgaum
171. Shri Fakireswar Co-operative Urban Bank Ltd., Shirahatti
172. Shri Lakshminarayan Co-operative Bank Ltd., Bangalore
173. Shri Shivayogi Murugendraswami Urban Co-operative Bank Ltd., Athani
174. Shri Thyagaraja Co-operative Bank Ltd. No. 5, Bangalore
175. Shree Veer Pulikeshi Co-operative Bank Ltd., Badami
176. Shri Vijay Mahantesh Co-operative Bank Ltd., Hungund
177. Siddapur Urban Co-operative Credit Bank Ltd., Siddapur
178. Toe Sindgi Urban Co-operative Bank Ltd., Sindgi
179. Sirsi Urban Co-operative Credit Bank Ltd., Sirsi
180. Somavanshiya Sahasrarajun Kshatriya Co-operative Bank Ltd., Hubli
181. Sree Anjaneya Co-operative Bank Ltd., Bangalore
182. Shri Ganapathi Co-operative Bank Ltd., Sagar
183. Shri Gokarnanath Co-operative Bank Ltd., Mangalore
184. Sri Kannikaparameshwari Co-operative Bank Ltd., Davangere
185. Sri Kanyakaparameswari Co-operative Bank Ltd., Hassan
186. Sri Kanyakaparameswari Co-operative Bank Ltd., Mysore
187. Sri Krishnarajendra Co-operative Bank Ltd., Mysore
188. Sri Rama Co-operative Bank Ltd., Bangalore
189. Sri Sampige Siddheswara Urban Co-operative Bank Ltd., Chitradurga
190. Srirampura Co-operative Bank Ltd., Bangalore
191. Sri Vasavamba Co-operative Bank Ltd., Holenarasipur
192. The Talikoti Urban Co-operative Bank Ltd., Talikoti
193. Textile Manufacturers' Co-operative Bank Ltd., Dodballapur
194. Town Co-operative Bank Ltd., Hoskote
195. Town Co-operative Bank Ltd., Chintamani
196. Town Co-operative Bank Ltd., Ponnampet
197. Town Co-operative Bank Ltd., Sira
198. Tumkur Grain Merchants Co-operative Bank Ltd., Tumkur
199. Urban Co-operative Bank Ltd., Shikaripur
200. Vardhaman Co-operative Bank Ltd., Hubli
201. Virajpet Town Co-operative Bank Ltd., Virajpet
202. Vysya Co-operative Bank Ltd., Bangalore
203. Yargatti Urban Co-operative Credit Bank Ltd., Yargatti
204. Accountant General's Office Co-operative Bank Ltd., Bangalore
205. Bhadravati Iron & Steel Works Co-operative Banking Society Ltd., Bhadravati
206. Belgaum District Revenue Employees' Co-operative Bank Ltd., Belgaum
207. Bijapur District Government Officials Urban Co-operative Credit Bank Ltd., Bijapur
208. Comptroller's Office Co-operative Bank Ltd., Bangalore
209. Dharwar District Government Employees' Co-operative Bank Ltd., Dharwar
210. Hira Sugar Employee's Co-operative Credit Bank Ltd., Sankeshwar

211. Hungund Taluka Primary Teachers' Co-operative Credit Bank Ltd., Hungund
212. Kirloskar Electric Co. Employees' Co-operative Society Ltd., Bangalore
213. L.I.C. Employees' Co-operative Bank Ltd., Udipi
214. Mysore University Co-operative Society Ltd., Mysore
215. Reserve Bank Employees' Co-operative Bank Ltd., Bangalore
216. Ron Taluka primary Teachers' Co-operative Credit Bank Ltd., Ron
217. South Kanara Government Officers' Co-operative Bank Ltd., Mangalore
218. Southern Railway Co-operative Bank Ltd., Mysore
219. State Bank of Mysore Employees', Co-operative Bank Ltd., Bangalore
220. Teachers' Co-operative Bank Ltd., Udipi
221. Amanath Co-operative Bank Ltd, Bangalore
222. Chikodi Taluka Western Division Primary Teachers' Co-operative Credit Society Ltd.,
Nipani
223. Shree Mahalaxmi Urban Co-operative Credit Bank Ltd., Gokak

B. Names of the banks deregistered during the year

Co-operative Banks

Maharashtra

1. State Bank of India Employees (M. S. Patel) Co-operative Bank Ltd., Bombay (P)
2. Tata Mills Employees' Co-operative Credit Society Ltd., Bombay (P)
3. Aarey Milk Colony Co-operative Bank Ltd., Bombay (P)
4. Bombay Peoples' Co-operative Bank Ltd., Bombay (P)

Rajasthan

5. Life Insurance Corporation Staff Co-operative Multipurpose Society Ltd., Ajmer

C. Names of the following insured banks have been changed

Old Name

New Name

Commercial Banks

1. First National City Bank Citibank N. A.
2. Tanjore Permanent Bank Ltd. Bank of Thanjavur Ltd.

Co-operative Banks

Madhya Pradesh

3. Dhar Central Co-operative Bank Ltd. Dhar Kendriya Sahakari Bank Maryadit
4. District Central Co-operative Bank Ltd., Sidhi Sidhi Jila Sahakari Bank Maryadit

Maharashtra

5. Mumbai Kamgar Nagari Sahakari Bank Ltd., Bombay Apna Sahakari Bank Ltd., Bombay
6. Dhulia District Government Servants Co-operative Bank Ltd., Dhulia Dhule Jilha Sarkari Nokranchi Sahakari Bank Ltd., Dhule

West Bengal

7. Boral Union Co-operative Credit Society Ltd. Boral Union Co-operative Bank Ltd.

Delhi

8. Jai Lakshmi Co-operative Urban Thrift and Credit Society Ltd. Jai Lakshmi Co-operative Bank Ltd.

(P) — Primary Co-operative Bank

Summary of Insured Banks (As on 31st December 1977)

I. Commercial Banks	78
II. Regional Rural Banks	48
III. Co-operative Banks	

	Apex	Central	Primay	Total
<i>States</i>				
Andhra Pradesh.. .. .	1	26	42	69
Jammu & Kashmir	1	3	—	4
Karnataka.. .. .	1	23	177	201
Kerala	1	11	42	54
Madhya Pradesh.. .. .	1	44	21	66
Maharashtra	1	28	313	342
Rajasthan	2	25	11	38
Tripura	1	—	—	1
West Bengal	1	17	38	56
<i>Union Territories</i>				
Delhi.. .. .	1	—	10	11
Goa, Daman & Diu	1	—	4	5
Pondicherry	1	—	1	2
Sub-Total				<u>849</u>
Total				<u><u>975</u></u>

APPENDIX II

Analysis of coverage of Insurance according to the size of the Commercial Banks
(including Regional Rural Banks)

(As on the last Fridays of December 1961 and September each of 1962 to 1977)

(Amounts in lakhs of rupees)

Category of banks and year	No. of banks	No. of fully protected accounts @	Total number of accounts	% of (3) to (4)	Insured deposits \$	Total amount of deposits assessable to premium	% of (6) to (7)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Banks with deposits:							
(i) Exceeding Rs. 100 crores							
1961	5	19,07,565	26,08,513	73.1	17,244.19	86,024.65	20.4
1962	5	20,56,863	28,61,493	71.9	19,855.88	96,614.94	20.5
1963	5	23,03,769	32,01,003	72.0	22,279.55	1,08,010.07	20.6
1964	6	30,74,624	42,29,309	72.7	29,088.07	1,38,462.50	21.0
1965	7	39,65,311	54,77,182	72.4	37,999.30	1,66,473.38	22.8
1966	8	50,96,334	70,56,148	72.2	49,678.17	2,07,848.96	23.9
1967	9	66,42,248	90,41,212	73.5	61,039.83	2,43,480.54	25.1
1968	11	1,00,17,283	1,11,98,695	89.5	1,45,059.51	2,93,553.75	49.4
1969	11	1,34,26,587	1,49,27,864	89.9	1,83,358.19	3,61,872.86	50.7
1970	13	1,68,14,889	1,75,83,973	95.6	2,65,483.43	4,24,676.51	62.5
1971	16	2,20,91,473	2,30,11,943	96.0	3,34,302.43	5,40,717.00	61.8
1972	16	2,37,39,950	2,47,31,706	96.0	3,59,074.90	5,83,234.25	61.6
1973	18	2,96,44,232	3,09,89,097	95.7	4,68,074.61	7,33,698.00	63.8
1974	18	3,39,61,726	3,55,53,280	95.5	5,45,780.64	8,50,163.14	64.2
1975	26	4,64,18,135	4,89,14,971	94.9	7,78,487.55	11,76,860.89	66.1
1976	26	5,71,72,989	5,82,64,418	98.1	10,31,089.06	14,45,040.44	71.4
1977	29	6,69,55,516	6,83,24,895	98.0	12,53,554.43	17,58,437.09	71.3
(ii) Exceeding Rs. 50 crores but upto Rs. 100 crores							
1961	5	7,70,242	10,14,608	75.8	6,197.07	31,166.68	19.8
1962	5	8,25,565	10,96,603	75.3	6,813.43	33,754.29	20.2
1963	4	9,09,942	12,13,716	75.0	7,614.56	31,888.94	23.9
1964	5	13,85,569	17,80,744	77.8	10,333.84	38,319.58	27.0
1965	6	21,19,236	26,29,196	80.6	13,441.78	43,504.23	30.9
1966	8	27,12,915	33,44,641	81.1	16,821.24	56,402.65	29.8
1967	7	24,04,677	29,85,961	80.5	15,648.78	51,198.50	30.6
1968	5	26,15,724	27,62,162	94.7	21,731.23	37,076.06	58.6
1969	6	20,21,341	21,65,761	93.3	20,226.22	39,500.58	51.2
1970	9	32,04,303	32,98,352	97.1	39,048.51	59,899.14	65.2
1971	9	23,10,227	23,95,875	96.4	31,861.22	54,233.76	58.7
1972	11	29,82,583	31,32,161	95.2	45,844.27	72,729.31	63.0
1973	12	31,85,371	33,41,391	95.3	51,666.19	85,704.42	60.3
1974	13	40,47,355	42,48,505	95.3	63,636.18	1,03,995.22	61.2
1975	6	12,78,610	13,40,365	95.4	21,471.42	42,530.67	50.5
1976	7	18,16,429	18,53,654	98.0	34,333.58	51,461.04	66.7
1977	10	41,65,442	42,04,736	99.1	44,152.39	61,309.47	72.0

Appendix II-(Contd.)

(Amounts in lakhs of rupees)

Category of banks and year	No. of banks	No. of fully protected accounts@	Total number of accounts	% of (3) to (4)	Insured deposits \$	Total amount of deposits assessable to premium	% of (6) to (7)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
(iii) exceeding Rs. 25 crores but upto Rs. 50 crores							
1961	5	6,71,802	8,31,405	80.8	4,305.59	15,026.17	28.7
1962	5	7,54,562	9,47,116	79.6	5,068.76	17,148.89	29.5
1963	6	13,05,115	15,84,932	82.3	7,635.97	27,658.34	27.6
1964	8	14,06,449	16,86,914	83.4	7,775.89	31,144.64	25.0
1965	9	12,98,142	16,14,713	80.4	8,512.36	33,181.42	25.7
1966	8	10,76,654	13,49,163	79.8	6,953.68	28,241.16	24.6
1967	10	12,87,232	16,26,261	79.2	8,549.17	36,531.65	23.4
1968	10	14,50,790	15,87,460	91.4	16,830.64	38,908.14	43.3
1969	7	11,14,532	12,15,328	91.7	13,083.03	29,089.03	45.0
1970	5	7,05,057	7,29,686	96.6	10,190.55	20,793.21	49.0
1971	6	9,15,760	9,45,445	96.8	12,010.16	20,401.48	58.8
1972	6	10,82,799	11,15,684	97.1	13,730.83	20,973.30	65.5
1973	6	8,85,613	9,10,274	97.3	11,644.13	19,084.65	61.0
1974	10	16,38,098	16,84,237	97.3	18,635.88	32,709.08	57.0
1975	10	23,34,258	23,89,047	97.7	22,103.79	34,747.19	63.6
1976	15	38,71,363	39,07,420	99.1	43,087.49	56,921.81	75.7
1977	11	18,38,145	18,64,053	98.6	29,565.69	40,050.88	73.8
(iv) exceeding Rs. 10 crores but upto Rs. 25 crores							
1961	11	9,51,626	11,30,263	84.2	4,952.99	17,871.79	27.7
1962	11	10,26,510	12,33,390	83.2	5,828.39	21,796.82	26.7
1963	12	9,89,313	12,25,841	80.7	6,286.75	24,696.62	25.5
1964	9	6,85,824	8,46,847	81.0	4,156.66	17,710.56	23.5
1965	7	3,81,855	4,90,263	77.9	2,719.16	12,343.60	22.0
1966	6	3,23,116	4,10,032	78.8	2,188.51	10,178.57	21.5
1967	8	5,66,097	6,94,121	81.6	3,395.39	10,513.08	32.3
1968	10	7,74,261	8,31,448	93.1	8,067.82	13,730.52	58.8
1969	13	10,67,445	11,44,792	93.2	10,929.91	19,644.14	55.6
1970	13	12,54,547	12,83,894	97.7	14,441.42	21,823.63	66.2
1971	10	9,31,616	9,56,736	97.2	11,456.54	17,177.55	66.6
1972	15	14,03,776	14,34,925	98.1	15,812.34	23,696.47	66.7
1973	17	16,67,301	17,09,905	97.5	19,605.39	27,637.91	70.9
1974	16	13,01,386	13,41,997	97.0	17,129.65	25,533.53	67.1
1975	14	14,73,068	15,15,055	97.2	17,731.03	27,935.61	63.5
1976	10	12,15,612	12,24,641	99.3	10,694.45	16,706.25	64.0
1977	11	13,17,086	13,27,435	99.2	10,728.83	17,656.46	60.8

Appendix II-(Contd.)

(Amounts in lakhs of rupees)

Category of banks and year	No. of banks	No. of fully protected accounts@	Total number of accounts	% of (3) to (4)	Insured deposits \$	Total amount of deposits assessable to premium	% of (6) to (7)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
(v) exceeding Rs. 1 crores but upto Rs. 10 crores							
1961	45	8,80,365	10,55,542	83.4	4,775.77	15,521.78	30.8
1962	44	9,45,560	11,40,084	82.9	5,410.09	16,298.88	33.1
1963	42	8,07,526	9,72,810	83.0	4,616.52	15,063.93	30.6
1964	38	8,22,542	9,99,196	82.3	4,830.59	15,234.29	31.7
1965	45	10,04,606	12,13,486	82.8	5,747.14	17,408.50	33.0
1966	45	10,73,854	13,06,528	82.2	6,342.99	19,887.97	31.9
1967	40	9,05,355	11,06,705	81.8	5,361.91	17,871.08	30.0
1968	39	10,48,011	11,19,936	93.6	10,285.43	17,488.71	58.8
1969	35	9,29,054	9,95,473	93.3	9,466.18	16,428.58	57.6
1970	34	10,24,910	10,47,618	97.8	11,689.93	17,310.48	67.5
1971	32	11,04,493	11,33,702	97.4	13,027.70	18,190.10	71.6
1972	25	7,41,791	7,59,830	97.8	8,808.56	13,234.95	66.6
1973	19	5,58,930	5,73,337	97.5	6,475.32	9,460.17	68.5
1974	17	4,13,128	4,22,491	97.8	4,680.23	6,079.14	77.0
1975	17	5,38,678	5,51,045	97.8	5,800.28	7,740.11	74.9
1976	15	5,84,070	5,88,119	99.3	6,305.40	7,847.86	80.3
1977	13	4,98,739	5,01,791	99.4	5,222.49	6,492.64	80.4
	(1)	(23,358)	(23,385)	(99.9)	(116.57)	(119.23)	(97.8)
(vi) Rs. 1 crore or less							
1961	214	3,60,052	4,18,117	86.1	1,756.20	3,763.70	46.7
1962	203	3,68,360	4,24,862	86.7	1,823.61	3,913.47	46.5
1963	191	3,36,401	3,88,630	86.6	1,582.94	3,360.00	47.1
1964	138	2,51,218	2,94,166	85.4	1,251.60	2,857.08	43.8
1965	43	1,28,655	1,51,076	85.2	642.37	1,483.31	43.3
1966	28	81,280	97,106	83.7	444.72	1,071.98	41.5
1967	19	60,923	71,581	85.1	296.02	754.62	39.2
1968	13	46,204	47,849	96.6	304.03	430.51	70.6
1969	12	50,092	51,886	96.5	341.53	473.11	72.2
1970	9	34,849	35,179	99.1	211.75	287.41	73.7
1971	8	31,684	31,989	99.3	198.37	266.65	74.3
1972	9	36,328	36,755	98.8	244.78	354.83	69.0
1973	9	46,392	46,952	98.8	314.65	425.26	74.0
1974	7	37,761	38,124	99.0	216.49	318.42	68.0
1975	6	11,874	12,078	98.3	100.81	228.61	44.1

Appendix II—(Contd)

Totals

(Amount in lakhs of rupees)

Category of banks and years	No. of banks	No. of fully protected accounts @	Total number of accounts	% of (3) to (4)	Insured deposits \$	Total amount of deposits assessable to premium	% of (6) to (7)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1976	29	81,191	81,334	99.8	261.36	351.06	74.4
	(24)	(71,695)	(71,786)	(99.9)	(178.88)	(227.49)	(78.6)
1977	49	4,39,273	4,39,784	99.9	1,258.58	1,580.00	79.7
	(44)	(4,27,509)	(4,27,951)	(99.9)	(1,164.16)	(1,432.74)	(81.3)
TOTALS							
1961	285	55,41,652	70,58,448	78.5	39,231.81	1,69,374.77	23.1
1962	273	59,77,420	77,03,548	77.6	44,800.16	1,89,527.29	23.6
1963	260	66,52,066	85,86,932	77.5	50,016.29	2,10,677.90	23.7
1964	204	76,26,226	98,37,176	77.5	57,436.65	2,43,728.65	23.6
1965	117	88,97,805	1,15,75,916	76.9	69,062.11	2,74,394.44	25.2
1966	103	1,03,64,153	1,35,63,618	76.4	82,429.31	3,23,631.29	25.5
1967	93	1,18,66,532	1,55,25,841	76.4	94,291.10	3,60,349.47	26.2
1968	88	1,59,52,273	1,75,47,550	90.9	2,02,278.66	4,01,187.69	50.4
1969	86	1,86,09,051	2,05,01,104	90.8	2,37,405.06	4,67,008.30	50.8
1970	83	2,30,38,555	2,39,78,702	96.1	3,41,065.59	5,44,790.38	62.6
1971	81	2,73,85,253	2,84,75,680	96.2	4,02,856.42	6,50,986.54	61.9
1972	82	2,99,87,227	3,12,11,061	96.1	4,43,515.68	7,14,223.11	62.1
1973	81†	3,59,87,839	3,75,70,956	95.8	5,57,780.29	8,76,010.41	63.7
1974	81	4,13,99,454	4,32,88,634	95.6	6,50,079.07	10,18,798.53	63.8
1975	79	5,20,54,623	5,47,22,561	95.1	8,45,694.88	12,90,043.08	65.6
1976	102	6,47,41,354	6,59,19,586	98.2	11,25,771.32	15,78,328.46	71.6
	(24)	(71,695)	(71,786)	(99.9)	(178.88)	227.49)	(78.6)
1977*	123	7,32,14,201	7,66,62,694	98.1	13,44,482.41	18,85,526.54	71.3
	(45)	(4,50,867)	(4,51,336)	(99.9)	(1,280.73)	(1,551.97)	(82.5)

@ i.e., number of accounts with balances not exceeding Rs. 1,500 till end of 1967, Rs. 5,000 till 31-3-1970, Rs. 10,000 till 30-6-1976 and Rs. 20,000 thereafter.

\$ i.e., deposits upto Rs. 1,500 in all accounts till end of 1967, Rs. 5,000 till 31-3-1970, Rs. 10,000 till 30-6-1976 and Rs. 20,000 thereafter.

* Provisional figures (several banks have not yet submitted the final return).

£ Includes the Honkong and Shanghai Banking Corporation which was subsequently deregistered in October 1972.

† Includes the Hindustan Mercantile Bank Ltd., which was subsequently deregistered in December 1973.

N. B. Figures within the brackets relate to Regional Rural Banks.

APPENDIX III

**Analysis of coverage of Insurance of the co-operative banks as on
the last Fridays of September 1971 to 1977**

(Amounts in lakhs of rupees)

Category of banks and year	No. of banks	Number of fully protected accounts@	Total number of accounts	% of (3) to (4)	Insured deposits \$	Total amount of deposits assessable to premium	% of (6) to (7)
1	2	3	4	5	6	(7)	(8)
A. According to size of the banks :							
Banks with deposits							
(i) exceeding Rs. 100 crores							
1971 to 1976				Nil			
1977	1	1,70,495	1,75,204	97.3	3,987.02	12,817.08	31.1
(ii) exceeding Rs. 50 crores but upto Rs. 100 crores							
1971 to 1972				Nil			
1973	1	1,15,005	1,20,877	95.1	2,654.51	5,195.90	51.1
1974	1	1,21,135	1,28,180	94.5	2,830.85	6,143.15	46.1
1975	1	1,41,160	1,49,331	94.5	2,801.07	8,536.07	32.8
1976	1	1,57,448	1,61,784	97.3	4,299.18	9,891.64	43.5
1977	—	—	—	—	—	—	—
(iii) exceeding Rs. 25 crores but upto Rs. 50 crores							
1971	1	98,401	98,278	94.6	1,823.88	4,529.38	40.3
1972	1	1,06,089	1,11,784	94.9	2,243.57	4,508.31	49.8
1973 to 1975				Nil			
1976	1	1,24,773	1,26,766	98.4	2,068.56	2,577.33	80.3
1977	2	2,70,943	2,75,248	98.4	4,662.42	5,740.25	81.2
(iv) exceeding Rs. 10 crores but upto Rs. 25 crores							
1971	2	1,19,223	1,26,615	94.2	1,758.37	2,371.41	74.2
1972	2	1,48,779	1,54,295	96.5	1,874.43	2,436.68	76.9
1973	4	4,11,393	4,21,205	97.7	3,576.49	5,811.64	61.5
1974	4	4,43,963	4,54,933	97.6	4,192.57	6,206.63	67.5
1975	9	8,12,501	8,38,530	96.9	8,031.73	13,558.54	59.2
1976	12	13,00,317	13,13,740	99.0	10,639.30	17,774.21	59.9
1977	12	13,63,210	13,73,465	99.3	10,537.51	19,186.63	54.9

(Continued)

Appendix III (Contd.)

(Amounts in lakhs of rupees)

Category of banks and year	No. of banks	No. of fully protected accounts @	Total number of accounts	% of (3) to (4)	Insured deposits \$	Total amount of deposits assessable to premium	% of (6) to (7)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
(v) exceeding Rs. 1 crores but upto Rs. 10 crores							
1971	54	13,96,648	14,19,649	98.6	10,441.04	15,712.96	66.5
1972	54	15,60,637	15,84,339	98.5	11,309.82	17,020.65	66.4
1973	57	22,66,585	22,97,607	98.6	13,824.73	19,765.02	69.9
1974	76	26,66,245	27,02,279	98.7	16,159.31	23,212.79	69.6
1975	100	32,87,324	33,26,721	98.8	18,245.69	27,239.54	67.0
1976	133	38,70,934	38,89,618	99.5	28,858.03	37,676.33	76.6
1977	174	49,46,820	49,72,162	99.5	37,846.53	50,183.97	75.4
(vi) Rs. 1 crore or less							
1971	285	8,91,934	8,99,670	99.2	5,569.75	6,542.82	85.1
1972	290	9,93,298	10,02,825	99.1	6,601.75	7,565.98	87.2
1973	301	10,99,710	11,16,453	98.5	7,364.10	8,453.08	87.1
1974	284	10,60,646	10,71,826	99.0	6,822.95	8,055.43	84.7
1975	369	13,02,830	13,17,929	98.9	8,462.51	9,976.35	84.8
1976	432	16,07,777	16,13,506	99.6	11,109.13	12,541.35	88.6
1977	556	20,73,447	20,80,096	99.7	14,016.81	15,791.14	88.8
TOTALS :							
1971	342	25,01,106	25,44,212	98.7	19,593.04	29,156.57	67.2
1972	347	28,08,803	28,53,243	98.4	22,029.57	31,531.62	69.9
1973	363	38,92,693	39,56,142	98.4	27,419.83	39,225.64	69.9
1974	335	42,91,989	43,57,218	98.5	30,005.68	43,618.00	68.8
1975	479	55,43,815	56,32,511	98.4	37,541.00	59,310.50	63.3
1976	584	70,61,249	71,05,414	99.4	56,974.20	80,460.86	70.8
1977*	745	88,24,915	88,76,175	99.4	71,050.29	1,03,719.07	68.5
B. According to status of banks:							
(i) State Co-operative Bank							
1971	4	1,25,630	1,31,504	95.5	2,231.62	6,092.34	36.6
1972	4	1,39,104	1,46,878	94.6	2,835.84	6,233.06	45.5
1973	4	1,54,040	1,61,121	95.6	3,145.10	6,919.55	45.5
1974	4	1,63,994	1,72,330	95.2	3,368.78	7,834.55	43.0
1975	7	2,10,584	2,24,405	93.8	4,129.68	13,000.83	31.8
1976	11	3,16,879	3,23,177	98.1	6,192.27	16,722.23	37.0
1977	12	3,79,310	3,86,611	98.1	6,423.31	22,517.93	28.5

(Continued)

Appendix III (Contd.)

(Amounts in lakhs of rupees)

Category of banks and year	No. of banks	No. of fully protected accounts@	Total number of accounts	% of (3) to (4)	Insured deposits \$	Total amount of deposits assessable to premium	% of (6) to (7)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
(ii) District Central Co-operative Banks.							
1971	85	12,91,246	13,16,850	98.1	9,710.80	14,057.94	69.1
1972	88	14,23,147	14,45,539	98.5	10,158.29	14,721.94	69.0
1973	92	23,36,144	23,51,681	99.3	14,095.59	19,732.71	71.4
1974	95	27,01,011	27,35,968	98.7	15,185.60	21,602.55	70.3
1975	104	34,85,619	35,32,223	98.7	18,677.61	27,527.68	67.9
1976	145	42,98,378	43,24,932	99.4	29,567.55	39,771.90	74.3
1977	161	52,02,361	52,31,430	99.4	36,041.79	48,642.15	74.1
(iii) Primary Co-operative Banks							
1971	253	10,84,230	10,95,858	98.9	7,650.62	9,006.29	84.9
1972	255	12,46,552	12,60,826	98.8	9,035.44	10,576.62	85.4
1973	267	14,02,509	14,43,340	97.2	10,179.14	12,573.38	81.0
1974	266	14,26,984	14,48,920	98.5	11,451.30	14,180.90	80.8
1975	368	18,47,612	18,75,883	98.5	14,733.71	18,781.99	78.5
1976	428	24,45,992	24,57,305	99.5	21,214.38	23,966.73	88.5
1977	572	32,43,244	32,58,134	99.5	28,585.19	32,558.99	87.8
(iv) TOTALS							
1971	342	25,01,106	25,44,212	98.7	19,593.04	29,156.57	67.2
1972	347	28,08,803	28,53,243	98.4	22,029.57	31,531.62	69.9
1973	363	38,92,693	39,56,142	98.4	27,419.83	39,225.64	69.9
1974	365	42,91,989	43,57,218	98.5	30,005.68	43,618.00	68.8
1975	479	55,43,815	56,32,511	98.4	37,541.00	59,310.50	63.3
1976	584	70,61,249	71,05,414	99.4	56,974.20	80,460.86	70.8
1977*	745	88,24,915	88,76,175	99.4	71,050.29	1,03,719.07	68.5

* Provisional figures (several banks have not yet submitted the final return).

@ i. e., number of accounts with balances not exceeding Rs. 10,000 till 30th June 1976 and Rs. 20,000 thereafter.

\$ i. e., deposits upto Rs. 10,000 in all accounts till 30th June 1976 and Rs. 20,000 thereafter.

APPENDIX IV
DEPOSIT INSURANCE FUND ATTRIBUTABLE TO CO-OPERATIVE BANKS
AS ON THE 31ST DECEMBER 1977

	Rs.	P.	Rs.	P.
1. Deposit Insurance Fund				
Balance at the beginning of the year*			1,12,55,610.82	
2. Add (i) Net premium receipts from Co-operative banks during the year (including interest)	41,69,546,38			
(ii) Income from investments of the Fund attributable to co-operative banks on a notional basis		1,38,709,35		
			45,08,255.73	
Balance at the end of the year 1977				1,57,63,836.55

Investment of the Fund on a (notional basis)

	Rs.	p.
Face value	1,50,48,000.00	
Book value	1,50,16,015.58	
Market value	1,48,78,628.50	
Depreciation	1,37,387.08	

*See Appendix V of the Annual Report for the year ended the 31st December 1976.

APPENDIX-V

DEPOSIT INSURANCE CORPORATION

Statement of investments in Central Government Securities as on the 31st December 1977

Particulars	Face Value		Book value		Market rate (as on 2-1-1978) %	Market value	
	Rs.	P.	Rs.	p.		Rs.	p.
(1)	(2)		(3)		(4)	(5)	
Deposit Insurance Fund							
4½% Loan 1979	9,80,000.00		9,68,309.78		99.40	9,74,120.00	
5½% „ 1985	12,08,22,200.00		11,87,20,248.82		99.60	12,03,38,911.20	
4½% „ 1986	2,68,96,900.00		2,65,60,683.75		91.95*	2,47,31,699.55	
5½% „ 1990	1,70,000.00		1,70,510.00		96.65	1,64,305.00	
6% „ 1993	7,24,11,000.00		7,20,12,739.50		99.55	7,20,85,150.50	
6% „ 1994	84,80,000.00		83,81,280.00		99.25	84,16,400.00	
5½% „ 2000	14,95,74,700.00		14,91,58,587.35		90.10	13,47,66,804.70	
5½% „ 2001	2,21,90,000.00		2,22,23,285.00		92.20	2,04,59,180.00	
5½% NDL 2001	2,02,53,400.00		2,02,83,735.10		92.00	1,86,33,128.00	
5½% Loan 2002	4,50,80,000.00		4,51,24,700.00		91.70	4,13,38,360.00	
5½% „ 2003	6,27,13,000.00		6,15,09,608.50		91.30	5,72,56,969.00	
6½% „ 2004	9,26,14,000.00		9,27,91,821.00		100.45**	9,30,30,763.00	
6½% „ 2005	2,30,60,000.00		2,31,64,825.00		100.55	2,31,86,830.00	
6¼% „ 1998	78,50,000.00		78,69,625.00		100.20	78,65,700.00	
	<u>65,30,95,200.00</u>		<u>64,89,39,963.80</u>			<u>62,32,48,320.95</u>	
Depreciation in the market value of Invest- ments :	2,56,91,642.85						
Existing provision :	3,16,00,000.00						

(Continued)

APPENDIX—V (Contd.)

Particulars	Face Value		Book value		Market rate (as on 2-1-1978 %)	Market value	
	Rs.	p.	Rs.	p.		Rs.	p.
(1)	(2)		(3)		(4)	(5)	
General Fund							
4½% Loan 1989	2,20,000.00		2,19,125.00		91.00	2,00,200.00	
5½% „ 1991	1,10,000.00		1,09,012.50		96.00	1,05,600.00	
6% „ 1993	85,000.00		84,532.50		99.55	84,617.50	
6% „ 1994	1,20,000.00		1,18,680.00		99.25	1,19,100.00	
5½% „ 1999	30,91,400.00		30,99,248.50		90.85	28,08,536.90	
5½% „ 2000	3,05,000.00		3,04,130.00		90.10	2,74,805.00	
5½% „ 2001	11,25,000.00		11,25,075.00		92.20	10,37,250.00	
5½% NDL 2001	51,53,700.00		51,61,430.55		92.00	47,41,404.00	
5½% Loan 2002	5,54,900.00		5,55,349.90		91.70	5,08,843.30	
5½% „ 2003	3,10,000.00		3,07,705.00		91.30	2,83,030.00	
6½% „ 2004	1,20,49,400.00		1,20,67,474.10		100.45**	1,21,03,622.30	
6½% „ 1998	1,20,000.00		1,20,300.00		100.20	1,20,240.00	
	2,32,44,400.00		2,32,72,063.05			2,23,87,249.00	
Treasury Bills	4,00,000.00		3,95,400.00			3,95,400.00	
	32,64,400.00		2,36,67,463.05			2,27,82,649.00	
*As on 13-12-1977							
**As on 3-10-1977							
Depreciation in the market value of Invest- ments :	8,84,814.05						
Existing provision :	13,00,000.00						

APPENDIX VI

**CLAIMS PAID OR PROVIDED FOR AND REIMBURSEMENTS RECEIVED AS
ON 31ST DECEMBER 1977**

(Amounts in lakhs of rupees)

Sr. No.	Name of bank (indicating the year in which the claims were met)	Total insured deposits paid or provided for	Repayments received by the Corporation	Balance due to the Corporation
(1)	(2)	(3)	(4)	(5)
	Commercial and Co-operative Banks whose claims were met			
	I. Commercial Banks			
	(i) Particulars relating to banks in respect of which the Corporation has been reimbursed in full :			
	1963			
†1.	Bank of China, Calcutta	9.25	9.25	—
	1965			
*2	Shree Jadeya Shankarling Bank Ltd., Bijapur	0.12	0.12	—
	Total A	9.37	9.37	
	(ii) Particulars relating to banks in respect of which the Corporation has not been reimbursed in full :			
	1962			
	Nil			
	1963			
*3.	Unity Bank Ltd, Madras	2.53	1.28	1.25
*4.	Bank of Alagapuri Ltd., Alagapuri	0.28	0.18	0.10
	1964			
*5.	Metropolitan Bank Ltd., Calcutta	8.80	2.41	6.39
*6.	Cochin Nayar Bank Ltd., Trichur	7.10	4.15	2.95
*7.	Latin Christian Bank Ltd., Ernakulam	2.08	1.14	0.94
*8.	Unao Commercial Bank Ltd., Unnao	1.08	0.23	0.85
*9.	Southern Bank Ltd., Calcutta	7.34	3.26	4.08
	1965			
	Nil			
	1966			
§10.	National Bank of Pakistan, Calcutta	0.99	0.88	0.11
		(0.85)		(0.85)
§11.	Habib Bank Ltd., Bombay	17.27	16.79	0.48
		(1.17)		(1.17)
	1967 and 1968			
	Nil			

(Continued)

CHART-I

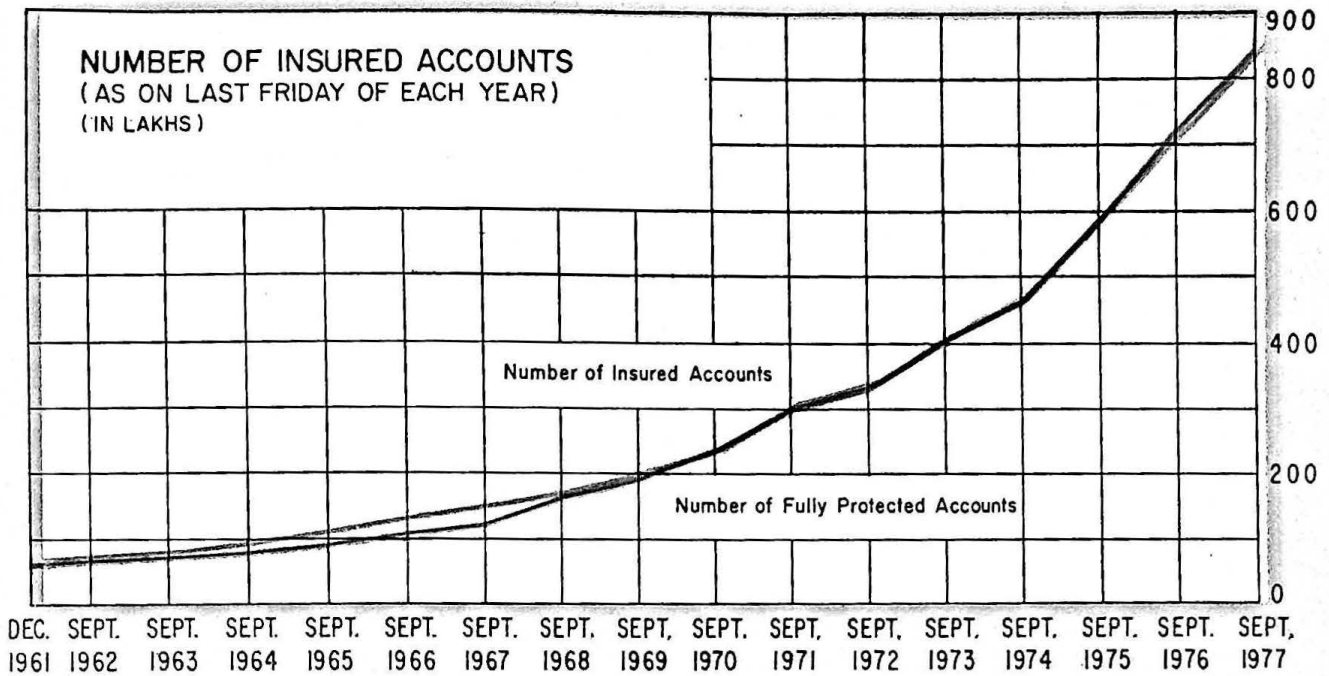


CHART-II

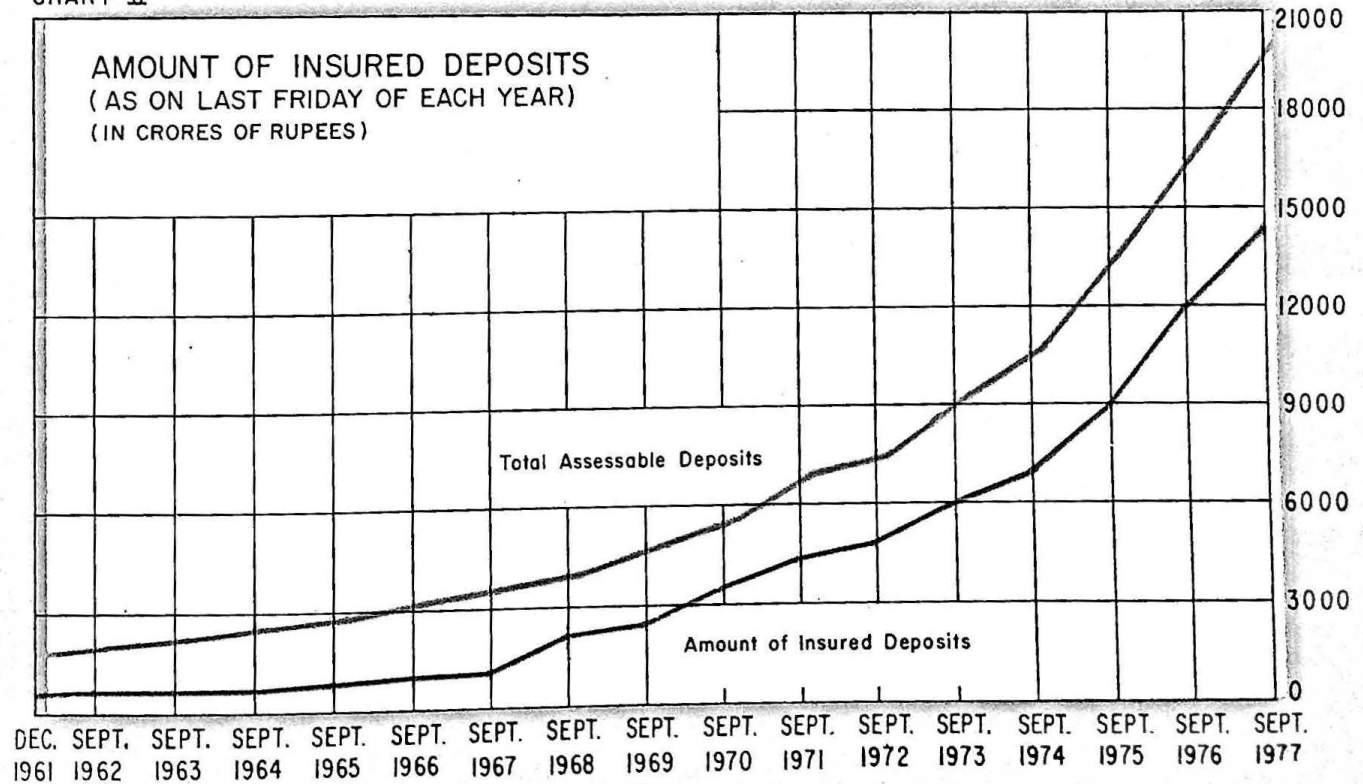


CHART III

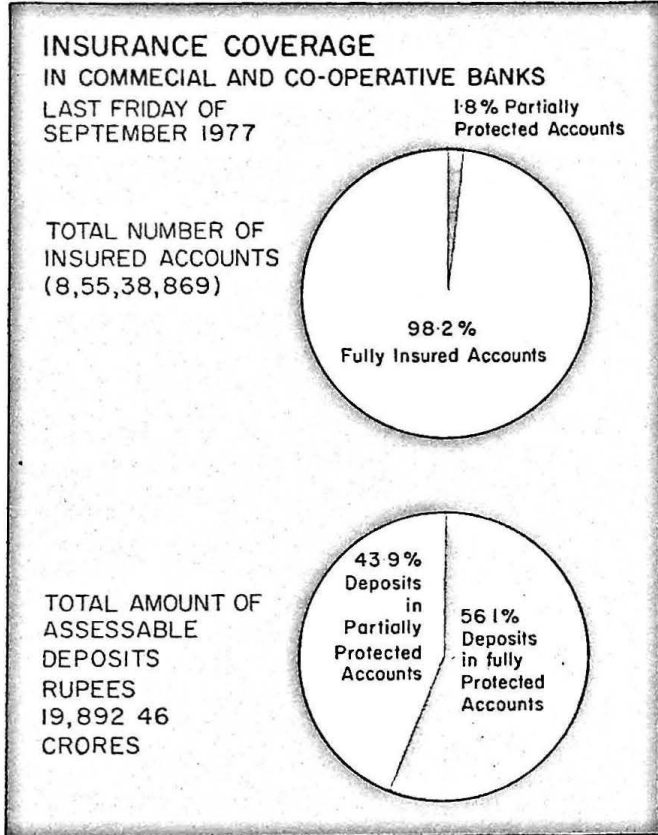
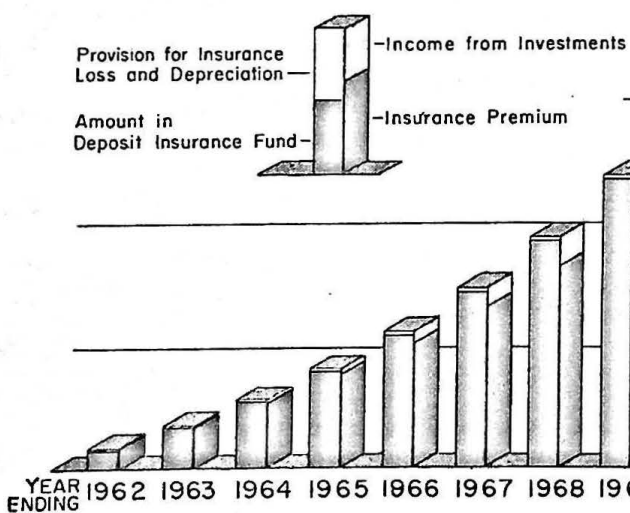
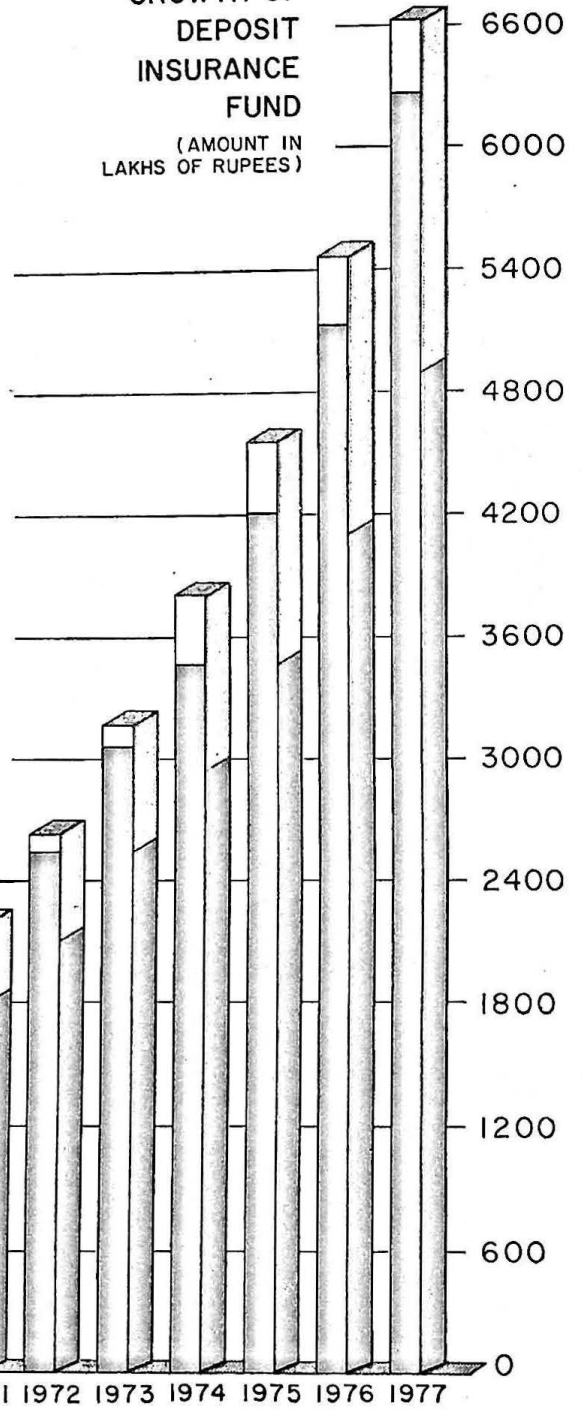


CHART IV
GROWTH OF
DEPOSIT
INSURANCE
FUND

(AMOUNT IN
LAKHS OF RUPEES)



APPENDIX VI-(contd.)

(1)	(2)	(3)	(4)	(5)
	1969			
*12.	Chawla Bank Ltd., Dehra Dun	0.18	—	0.18
	1970			
*13.	Bank of Behar Ltd., Patna	46.32	33.04	13.28
*14.	National Bank of Lahore Ltd., Delhi , 1971 to 1977	9.69	—	9.69
	Nil			
	Total B	103.66	63.36	40.30
		(2.02)	—	(2.02)
	Total A + B	113.03	72.73	40.30
		(2.02)	—	(2.02)
	II. Co-operative Banks			
	Particulars relating to banks in respect of which the Corporation has not been reimbursed in full :			
	1975			
@15.	Bombay Commercial Co-operative Bank Ltd., Bombay	5.73	—	5.73
	1976			
@16.	Malvan Co-operative Urban Bank Ltd.	1.86	—	1.86
@17.	Ghatkopar Janata Sahakari Bank Ltd.	2.76	—	2.76
	Total C	10.35	—	10.35
	Total A+B+C	123.38	72.73	50.65
		(2.02)	—	(2.02)
	Co-operative Banks in liquidation whose claims have not yet been met			
	Date from Name of the bank which the winding up order became effective	Total deposits	Corporation's liability	Provision made
@18.	Aarey Milk Colony Co- operative Bank Ltd. 28-9-1977	0.84	0.84	0.84
@19.	Bombay Peoples' Co-operative Bank Ltd. 5-11-1977	12.09	2.63	2.63

‡ Licence to carry on banking business cancelled by Reserve Bank of India.

* Scheme of Amalgamation

§ Scheme of arrangement

@ Banks taken into liquidation

Note : (a) The figures of claims given above are after effecting adjustments.

(b) Figures given within brackets denote prohibited liabilities in respect of Pakistani Nationals.

DEPOSIT INSURANCE
(Established under the Deposit
Regulation 18
Balance Sheet as at the close of
I—DEPOSIT

As at the 31st December 1976 Rs. p.	Liabilities	Rs. p.	Rs. p.
42,11,22,151.23	1. Fund : Balance at the beginning of the year	51,26,74,722.85	
9,15,52,571.62	<i>Add :</i> Net accretion to the Fund during the year transferred from the Revenue Account	11,45,38,167.75	
51,26,74,722.85	Balance at the end of the year		62,72,12,890.60
3,16,00,000.00	2. Investment Reserve Balance at the beginning of the year	3,16,00,000.00	
—	<i>Add :</i> Amount provided for during the year	—	
3,16,00,000.00			3,16,00,000.00
—	3. Advance from the Reserve Bank of India (Section 26 of the Deposit Insurance Cor- poration Act, 1961)		—
—	4. Advance from the General Fund (Section 27 of the Act)		—
5,12,831.23	5. Insured Deposits remaining unclaimed (per contra) as per Annexure II		5,15,087.70
4,70,000.00	6. Insured Deposits in banks whose registration as insured banks has been cancelled (per contra)		3,47,000.00
5,68,317.68	7. Other Liabilities Premium Suspense Account		7,29,117.54
54,58,25,871.76			66,04,04,095.84

As per our report of even date attached.
G.P. KAPADIA & Co.
Chartered Accountants

Bombay, 27th February 1978.

CORPORATION

Insurance Corporation Act, 1961)

—Form 'A'

business on the 31st December 1977

INSURANCE FUND

As at the 31st December 1976 Rs. P.	Assets	Rs.	p.	Rs.	p.
21,330.59	1. Balance with the Reserve Bank of India.			47,812.49	
53,51,40,675.70	2. Investments in Central Government Securities (at cost)			64,89,39,963.80	
54,00,60,200.00	(Face value : Rs. 65,30,95,200.00)				
(50,63,87,109.65)	(Market value : Rs. 62,32,48,320.95)				
94,84,260.22	3. Interest accrued on investments			1,02,44,142.67	
	4. Subrogated claims of depositors in respect of insured deposits already paid				
1,13,64,347.15	Rs. 1,18,23,128.27				
	<i>Less :</i>				
66,18,738.10	Reimbursements received Rs. 68,46,582.10				
47,45,609.05		49,76,546.17			
	<i>Less :</i>				
36,18,114.00	Provision for estimated insurance losses (as per Annexure I)	38,67,857.00			
11,27,495.05				11,08,689.17	
	5. (a) Subrogated claims of depositors in respect of insured deposits remaining unclaimed (per contra) Rs. 5,15,087.70				
5,12,831.23	<i>Less :</i>				
	Reimbursements received to date Rs. 4,26,851.30				
4,28,152.48					
84,678.75		88,236.40			
	(b) Subrogated claims of depositors in respect of insured deposits in banks whose registration as insured banks has been cancelled (per contra)				
4,70,000.00		3,47,000.00			
5,54,678.75		4,35,236.40			
	<i>Less :</i>				
5,25,219.00	Provision for estimated insurance losses	4,09,980.00			
29,459.75				25,256.40	
	6. Other assets :				
8,378.59	Outstanding Premium due from banks	24,628.98			
	Outstanding Interest on overdue premium due from banks	4,138.78			
4,808.31	Amount paid towards claims remaining undisbursed with the Liquidator of a bank	9,463.55			
9,463.55					
22,650.45				38,231.31	
54,58,25,871.76				66,04,04,095.84	

V. S. Moharir
Manager

I. G. PATEL
Chairman

M Ramakrishnayya
Directors : J. C. Roy
J. R. Joshi
P. N. Shah

Bombay, 27th February 1978.

DEPOSIT INSURANCE
(Established under the Deposit
Regulation 18
Balance Sheet as at the close of
II—GENERAL

As at the 31st December 1976	Liabilities	Rs.	p.	Rs.	p.
2,00,00,000.00	1. Capital : Provided by the Reserve Bank of India under Section 4 of the Deposit Insurance Corporation Act, 1961.				2,00,00,000 00
18,36,938.20	2. Reserves : General Reserve Balance at the beginning of the year	21,26,010.32			
2,89,072.12	<i>Add :</i> Surplus transferred from the Revenue Account	1,48,713.21			
21,26,010.32		22,74,723.53			
13,00,000.00	Investment Reserve Balance at the beginning of the year	13,00,000.00			
—	<i>Add :</i> Amount provided for during the year	13,00,000.00			
13,00,000.00	Other Reserves	—			
34,26,010.32	3. Current Liabilities and Provisions :				35,74,723.53
9,264.00	Staff Provident Fund	11,964.50			
80,758.60	Staff Gratuity Fund	1,05,927.70			
73,975.71	Other Liabilities :				
50,722.45	Staff Leave/Retirement Fare Concession	95,101.61			
723.37	Outstanding expenses	79,681.06			
	Sundry Creditors	8,406.80			
2,15,444.13					3,01,081.67
2,36,41,454.45					2,38,75,805 20

As per our report of even date attached.

G. P. KAPADIA & Co.

Chartered Accountants

Bombay, 27th February, 1978.

CORPORATION

Insurance Corporation Act, 1961)

- Form 'A'

business on the 31st December 1977

FUND

As at the 31st December 1976		Assets			
Rs.	p.	Rs.	p.	Rs.	p.
		1. Cash			
1,108.65		i) In hand	316.14		
19,165.02		ii) With Reserve Bank of India	25,591.95		
20,273.67					25,908.09
2,31,94,326.20		2. Investments in Central Government Securities (At cost)			
(2,33,47,700.00)		(Face value : Rs. 2,36,44,400.00)			2,36,67,463.05
(2,21,28,203.55)		(Market value : Rs. 2,27,82,619.00)			
3,84,435.79		3. Interest accrued on Investments			1,28,703.36
—		4. Advance to the Deposit Insurance Fund, if any (Vide Section 27 of the Deposit Insurance Corporation Act, 1961)			—
—		5. Other Assets			
28,571.46		Furniture, Fixtures and Equipment less	40,593.58		
12,167.38		Depreciation	11,543.77		
1,433.35		Stock of stationery	1,593.35		
246.60		Prepaid Expenses	—		
42,418.79		Sundry Debtors			53,730.70
2,36,41,454.45					2,38,75,805.20

V.S. Moharir
Manager

I. G. PATEL
Chairman

Directors:
M. Ramakrishnayya
J. C. Roy
J. R. Joshi
P. N. Shah

Bombay, 27th February, 1978

DEPOSIT INSURANCE

(Form

II—Revenue Account (General Fund) for the

Previous Year		Expenditure		
Rs.	p		Rs.	p.
7,37,821.17		To Salaries and allowances and contributions to Provident Fund	8,67,041.39	
21,930.00		„ Contribution to Staff Pension and Gratuity Fund	25,169.10	
700.00		„ Directors' and Committee Members' fees	1,150.00	
4,959.40		„ Directors' and Committee Members' travelling and other allowances	4,293.50	
84,334.12		„ Rent, taxes, insurance, lighting, etc.	1,30,024.43	
4,767.05		„ Establishment—Travelling and halting allowances.	3,560.60	
24,011.74		„ Printing and Stationery	33,477.78	
12,442.25		„ Postage, Telegrams and Telephones	11,116.30	
3,000.00		„ Auditors' fees	3,000.00	
2,018.34		„ Legal charges	1,148.71	
59,128.25		„ Miscellaneous expenses	58,352.06	
4,041.45		„ Depreciation	6,631.82	
—		„ Advertisement	12,832.00	
2,89,072.12		„ Balance, being excess of income over expenditure carried down	1,48,713.21	
<hr/>			<hr/>	
12,48,225.89			13,06,510.90	
<hr/>			<hr/>	
2,89,072.12		To Transfer to General Reserve	1,48,713.21	
—		„ Transfer to Other Reserves	—	
<hr/>			<hr/>	
2,89,072.12			1,48,713.21	
<hr/>			<hr/>	

As per our report of even date attached.

Bombay, 27th February, 1978.

G. P. KAPADIA & Co.

Chartered Accountants

CORPORATION

('B')

year ended the 31st December 1977

Previous Year		Income		
Rs.	p.		Rs.	p.
12,48,022	35	By Income from Investments	13,06,380.60	
—		„ Interest on Advance to Deposit Insurance Fund	—	
203.54		„ Miscellaneous receipts	130.30	
<hr/>			<hr/>	
12,48,225.89			13,06,510.90	
<hr/>			<hr/>	
2,89,072.12		By Balance, being excess of income over expenditure brought down	1,48,713.21	
<hr/>			<hr/>	
2,89,072.12			1,48,713.21	
<hr/>			<hr/>	

V.S. Moharir
Manager

I. G. PATEL
Chairman

M. Ramakrishnayya
J. C. Roy
Directors : J. R. Joshi
P. N. Shah

Bombay, 27th February 1978

ANNEXURE I
SUBROGATED CLAIMS OF DEPOSITORS PAID

	Rs.	p.	Rs.	p.	Rs.	p.
Total amount paid until the end of the previous year (1976)					1,13,64,347.15	
<i>Add :</i>						
Insured deposits paid during the year (1977).. .. .					4,58,781.12	
					1,18,23,128.27	
<i>Less :</i>						
(i) Reimbursements received until the end of the last year (1976)			66,18,738.10			
(ii) (a) Reimbursements received during the year (1977).. .. .	2,27,844.00					
(b) Amount transferred from unclaimed account	—		2,27,844.00			
			68,46,582.10			
(iii) Claims written off until the end of the last year (1976)			—			
(iv) Claims written off during the year (1977)			—			
					68,46,582.10	
(v) Provision for estimated losses until the end of the last year (1976)			36,18,114.00		49,76,546.17	
(vi) Provision for estimated losses made during the year (1977)			3,09,399.00			
			39,27,513.00			
<i>Less :</i>						
Reduction in the Provision made during the year (1977)			59,656.00			
					38,67,857.00	
Net amount paid as at the end of the year (1977) less reimbursements received and provision made for estimated losses					11,08,689.17	

ANNEXURE II
INSURED DEPOSITS REMAINING UNCLAIMED
AS ON THE 31ST DECEMBER 1977

	Rs.	p.	Rs.	p.
Amount outstanding at the beginning of the year (1977)			5,12,831.23	
<i>Add :</i>				
(i) Amount of insured deposits tendered during the year but remaining unclaimed			3,557.65	
(ii) Amount of insured deposits received back from the Custodian of Enemy Property for payment to Chinese depositors remaining unpaid			—	
			5,16,388.88	
<i>Less :</i>				
(i) Amount claimed and paid during the year		—		
(ii) Reduction in the amount of insured deposits remaining unclaimed		1,301.18		
		1,301.18	1,301.18	
			5,15,087.70	

SUMMARY
of Annexures I & II

	Rs.	p.	Rs.	p.
Subrogated claims of depositors paid or provided for (including unclaimed)				
Vide Annexure I		1,18,23,128.27		
Vide Annexure II		5,15,087.70		
		1,23,38,215.97	1,23,38,215.97	
<i>Less :</i>				
Repayments received in respect of subrogated claims				
(i) already paid (vide Annexure I)		68,46,582.10		
(ii) remaining unclaimed (vide item 5 (a) on the Assets side of Balance Sheet)		4,26,851.30		
		72,73,433.40	72,73,433.40	
Balance due to the Corporation			50,64,782.57	
<i>Less :</i>				
Provision for insurance loss				
(already paid—Rs. 38,67,857.00+				
unclaimed —Rs. 62,980.00)			39,30,837.00	
			11,33,945.57*	
Subrogated claims receivable			11,33,945.57*	

*(Vide totals of items 4 and 5 on the Assets side of Balance Sheet)

REPORT OF THE AUDITORS

We have audited the attached Balance Sheet of the DEPOSIT INSURANCE CORPORATION as at 31st December 1977 showing the position of the DEPOSIT INSURANCE FUND and the GENERAL FUND respectively as on that date and also the REVENUE ACCOUNTS annexed to the said Balance Sheets showing the income and expenditure of the abovementioned two Funds for the year ended on that date, and report on the said Balance Sheets and Accounts as follows :—

1. We have obtained all the information and explanations we have required for the purpose 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 a 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 31st December 1977 and is also properly drawn up in accordance with the requirements of Regulation 18 of the Deposit Insurance Corporation General Regulations, 1961.

Bombay, 27th February, 1978.

G. P. KAPADIA & CO.
Chartered Accountants

