

Deposit Insurance and Credit Guarantee Corporation

Press Release (Addendum)

DICGC (Amendment) Act, 2021 – Section 18 A – Payment to Insured Banks under All Inclusive Directions - Addendum to Press Release dated September 21, 2021

Reference is invited to the press release dated September 21, 2021 on the proposed payment by the Deposit Insurance and Credit Guarantee Corporation (the Corporation) in terms of the DICGC Act, 1961 (as amended by DICGC (Amendment) Act, 2021). In respect of the banks listed in the Annex to the press release, the Corporation is liable to make payment to the depositors under Section 18A of the Act within 90 days from September 1, 2021. In terms of Section 18 A (7) (a) of the Act, where the Reserve Bank finds it expedient in the interest of finalising a scheme of amalgamation / compromise / arrangement or reconstruction in respect of insured banks, the date on which the Corporation shall become liable to pay depositors of such insured banks may be extended by a period not exceeding ninety days. It is noted that in the case of the Punjab & Maharashtra Co-operative Bank Ltd, Mumbai, there may be a need to invoke the provisions of Section 18 A (7) (a) of the Act. The revised date for submission of claims and the procedure to be followed in respect of payment of deposits in this bank will be communicated separately.