

**LOK SABHA**

**REPORT OF  
THE JOINT COMMITTEE ON THE FINANCIAL  
RESOLUTION AND DEPOSIT INSURANCE BILL, 2017**

**SIXTEENTH LOK SABHA**



सत्यमेव जयते

**LOK SABHA SECRETARIAT  
NEW DELHI**

*August, 2018/Shravana, 1940 (Saka)*

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*Presented to Lok Sabha on 01.08.2018*

*Laid in Rajya Sabha on 01.08.2018*



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(i)

**COMPOSITION OF THE**  
**JOINT COMMITTEE ON THE FINANCIAL RESOLUTION AND DEPOSIT INSURANCE BILL, 2017**

**Shri Bhupender Yadav<sup>^</sup> - Chairperson**

**Members**

**Lok Sabha**

2. Shri Anil Gulabrao Shirole
3. Shri Subhash Chandra Baheria
4. Dr. Kirit Somaiya
5. Shri Nishikant Dubey
6. Shri Jayadev Galla
7. Shri Gaurav Gogoi
8. Shri Sudheer Gupta\*
9. Dr. Sanjay Jaiswal
10. Shri P. Karunakaran
11. Shri Gajanan Chandrakant Kirtikar
12. Shri Bhartruhari Mahtab
13. Shri S. P. Muddahanumegowda
14. Shri Jagdambika Pal
15. Shri Chirag Paswan
16. Shri Konda Vishweshwar Reddy
17. Prof. Saugata Roy
18. Shri Gopal Chinayya Shetty
19. Shri Abhishek Singh
20. Shri Shivkumar Chanabasappa Udasi
21. Dr. Ponnusamy Venugopal

**Rajya Sabha**

22. Shri Anand Sharma
23. Shri Naresh Gujral
24. Shri Bhubaneshwar Kalita
25. Shri Satish Chandra Misra
26. Shri Praful Patel
27. Shri Mahesh Poddar@
28. Shri Sukhendu Sekhar Ray#
29. Shri Ram Chandra Prasad Singh
30. Shri Ravi Prakash Verma

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<sup>^</sup>Re-appointed as Member and Chairperson of the Joint Committee w.e.f. 04.04.2018

\*Appointed w.e.f. 27.12.2017 vice Shri Gajendra Singh Shekhawat resigned from the Joint Committee w.e.f. 04.09.2017 on his appointment as Minister.

@ Appointed w.e.f.03.04.2018 vice Shri Ajay Sancheti retired from Rajya Sabha on 02.04.2018.

# Shri Sukhendu Sekhar Ray retired from Rajya Sabha on 18.08.2017 and re-appointed to the Joint Committee on 19.03.2018.

(ii)

## **SECRETARIAT**

1. Smt. Sudesh Luthra - Additional Secretary
2. Shri J.V.G. Reddy - Director
3. Shri Sundar Prasad Das - Additional Director
4. Smt. Mriganka Achal - Under Secretary
5. Shri Prem Ranjan - Committee Officer

## **REPRESENTATIVES OF MINISTRY OF FINANCE (DEPARTMENT OF ECONOMIC AFFAIRS)**

1. Shri Subhash Chandra Garg - Secretary
2. Shri Dinesh Sharma - Special Secretary
3. Dr. M.M. Kutty - Special Secretary
4. Dr. Shashank Saksena - Adviser (FSRL)

## **REPRESENTATIVES OF MINISTRY OF LAW & JUSTICE (LEGISLATIVE DEPARTMENT)**

1. Dr. G. Narayana Raju - Secretary
2. Dr. N.R. Battu - Joint Secretary & Legislative Counsel
3. Shri Diwakar Singh - Additional Legislative Counsel

## **(DEPARTMENT OF LEGAL AFFAIRS)**

1. Shri Suresh Chandra Law Secretary
2. Dr. Rajiv Mani Joint Secretary & Legal Adviser
3. Dr. R.J.R. Kasibhatla Deputy Legal Adviser

**(iii)**

## **REPORT OF THE JOINT COMMITTEE ON THE FINANCIAL RESOLUTION AND DEPOSIT INSURANCE BILL, 2017**

I, the Chairperson of the Joint Committee to which, the Bill titled 'The Financial Resolution and Deposit Insurance Bill, 2017' was referred, having been authorised to submit the Report on their behalf, present the Report on the aforesaid Bill.

2. The Bill seeks to provide for the resolution of certain categories of financial service providers in distress; the deposit insurance to consumers of certain categories of financial services; designation of systemically important financial institutions; and establishment of a Resolution Corporation for protection of consumers of specified service providers and of public funds for ensuring the stability and resilience of the financial system and for matters connected therewith or incidental thereto. As stated in the Statement of Objects and Reasons, the Bill *inter alia* provides for establishment of a Resolution Corporation, designation of certain financial service providers and constitution of certain funds for the purposes of the proposed legislation and seeks to repeal the Deposit Insurance and Credit Guarantee Corporation Act, 1961 and amendment of certain enactments. The proposed legislation together with the Insolvency and Bankruptcy Code, 2016 is expected to provide a comprehensive resolution mechanism for the economy.

3. The Bill was introduced in Lok Sabha on the 10 August, 2017. The motion for reference of the Bill to a Joint Committee of both the Houses of Parliament was moved in Lok Sabha **(Appendix I)**. The Rajya Sabha concurred in the said motion on 11 August, 2017 **(Appendix II)**.

### **Details of the deliberations held by the Committee :**

4. The Committee held 13 sittings in all. At the first sitting held on 6 September, 2017, the Committee held general discussion on the provisions of the Bill and deliberated on the methodology for completion of the task assigned. Keeping in view the wide ranging importance of the provisions of the Bill, the Committee decided that memoranda from various stakeholders and public at large on the provisions of the aforesaid Bill may be obtained and their views heard by the Committee for a comprehensive and in-depth examination of the Bill. Accordingly, a Press Communique inviting memoranda was issued by giving advertisement through DAVP, in response to which 35 memoranda were received which were circulated to the members of the

Committee (**Appendix III**). The Committee further decided to undertake a study visit to Mumbai to hold informal consultations/hear views of Mumbai based stakeholders. The representatives of Department of Economic Affairs briefed the Committee about the background and various provisions made in the legislation.

5. The Committee at their second sitting held on 13 September, 2017, heard the views of various concerned Ministries/Departments viz. Department of Financial Services, Ministry of Corporate Affairs, Department of Agriculture and Farmers Welfare, Ministries of Labour, Social Justice and Empowerment and Tribal Affairs. At the third sitting held on 20 September, 2017, the Committee heard the views of investigating agencies/stakeholders viz. Central Bureau of Investigation(CBI), Enforcement Directorate (ED), Confederation of Indian Industries (CII) and Associated Chambers of Commerce and Industry of India (ASSOCHAM).

6. The Committee undertook study visit to Mumbai from 03 October, 2017 to 05 October, 2017 and held informal consultations/heard views of Mumbai based stakeholders mainly, regulators viz. Reserve Bank of India (RBI), Insurance Regulatory Development Authority of India (IRDAI) and Securities and Exchange Board of India (SEBI), Public Sector Banks / Private Banks, Indian Banks' Association (IBA), Insurance Companies, some non-banking financial companies and expert organisations etc.

7. The Committee at their fourth, fifth, sixth, seventh and eighth sittings held on 14 November, 2017, 6 December, 2017, 12 January, 2018, 22 January, 2018 and 12 February, 2018 respectively, heard the views of some more stakeholders which include the Governor, RBI; Competition Commission of India (CCI); Insolvency and Bankruptcy Board of India (IBBI); some of the Co-operative Bank Associations/Federations; RBI/Banks Associations; organizations/experts etc. The Committee at their ninth sitting held on 14 March, 2018 reviewed the work yet to be done by the Committee and decided to seek further extension of time upto the last day of the Monsoon Session 2018. The Committee at their subsequent sittings i.e. tenth, eleventh and twelfth held on 14 May, 2018, 4 June, 2018 and 19 June, 2018 heard the views of some more stakeholders which include Small Industries Development Bank of India (SIDBI), Pension Fund Regulatory and Development Authority (PFRDA) and some of the professional bodies like Institute of Chartered Accountants of India, Institute of Company Secretaries of India and Institute of Cost Accountants of India.



8. As detailed above, the Committee heard the views of 69 stakeholders which include 6 Union Ministries/Departments. The details of the Ministries/organizations/stakeholders, the Committee heard at their sittings and during the study visit have been given at **Appendix IV and V.**

**Extensions granted by the House :**

9. The Report of the Committee as per the mandate of the House was to be presented to the House by last day of the first week of the next Session (Winter Session, 2017) i.e. 15 December, 2017. The Committee have been granted two extensions of time for finalization and presentation of the Report on the Bill i.e. firstly on 13 December, 2017 up to 6 April, 2018 and secondly on 16 March, 2018 upto the last day of the Monsoon Session 2018 (**Appendix VI**).

**Notice of the motion for withdrawal of the ‘The Financial Resolution and Deposit Insurance Bill, 2017**

10. A notice of the motion for withdrawal of the ‘The Financial Resolution and Deposit Insurance Bill, 2017’ alongwith the statement containing reasons therefor was given by the Finance Minister on 23 July, 2018 which stood referred to the Joint Committee under the first proviso to Rule 110 of the Rules of Procedure and Conduct of Business in Lok Sabha (**Appendix VII**).

The Statement of Reasons for withdrawal of the Bill states as under :-

“The FRDI Bill was introduced in Lok Sabha on 10<sup>th</sup> August, 2017 and thereafter, was referred to the Joint Committee of Parliament, which has been asked to submit its report on the Bill by the last day of the current Monsoon Session.

The FRDI Bill sought to, inter-alia, make an enabling law for creation of an independent Resolution Corporation (RC) to contribute to the stability and resilience of the financial system by carrying out speedy and efficient resolution of financial firms in distress, providing deposit insurance to consumers of certain categories of financial services, monitoring the Systemically Important Financial Institutions, and protecting the consumers of financial institutions and public funds to the extent possible.

The stakeholders including public have raised apprehensions relating to the provisions of the FRDI Bill, like the use of bail-in instrument to resolve a failing bank, the adequacy of deposit insurance cover and the felt need to revise the insurance limit substantially, and application of resolution framework for public sector banks. Resolution of these issues would require a comprehensive

examination and reconsideration. It is, therefore, appropriate that the Bill may be withdrawn.

In view of the above, the legislative proposal to enact the FRDI Bill is being dropped and the FRDI Bill is being withdrawn from the Lok Sabha to enable further comprehensive examination and reconsideration of the subject.”

**Recommendation of the Committee :**

11. The Committee considered the notice of the motion for withdrawal of the Bill together with the accompanying statement containing reasons therefor at their sitting held on 30th July, 2018. The Committee after deliberations agreed with the proposal of the Government to withdraw the Bill. Accordingly, the Committee recommend that the leave to withdraw the Bill be granted.

12. The Committee at their sitting held on 30th July, 2018 considered and adopted the draft report.

**(BHUPENDER YADAV)**

**Chairperson,**

**Joint Committee on the Financial Resolution  
and Deposit Insurance Bill, 2017**

**New Delhi**

**31st July, 2018**

**APPENDIX I**  
(vide para 3 of the Report)  
**(Bulletin - Part I dated August 10, 2017)**

**MOTION IN LOK SABHA FOR REFERENCE OF  
THE BILL TO THE JOINT COMMITTEE**

"That the Bill to provide for the resolution of certain categories of financial service providers in distress; the deposit insurance to consumers of certain categories of financial services; designation of systemically important financial institution; and establishment of a Resolution Corporation for protection of consumers of specified service providers and of public funds for ensuring the stability and resilience of the financial system and for matters connected therewith or incidental thereto, be referred to a Joint Committee of the Houses consisting of 30 members, 20 from this house, namely:-

1. Dr. Kirit Somaiya
2. Shri Gopal Chinayya Shetty
3. Shri Subhash Chandra Baheria
4. Shri Nishikant Dubey
5. Shri Shivkumar C. Udasi
6. Shri Anil Shirole
7. Shri Abhishek Singh
8. Shri Gajendra Singh Shekhawat
9. Shri Sanjay Jaiswal
10. Shri Jagdambika Pal
11. Shri Jayadev Galla
12. Shri Gajanan Chandrakant Kirtikar
13. Shri Chirag Paswan
14. Shri Gaurav Gogoi
15. Shri S.P. Muddahanumegowda
16. Dr. P. Venugopal
17. Prof. Saugata Roy
18. Shri Bhartruhari Mahtab
19. Shri Konda Vishweshwar Reddy
20. Shri P. Karunakaran

and 10 Members from Rajya Sabha;

That in order to constitute a sitting of the Joint Committee, the quorum shall be one-third of the total number of members of the Joint Committee;

That the Committee shall make a report too this House by the last day of the first week of the next Session;

That in other respects the Rules of Procedure of this House relating to Parliamentary Committees shall apply with such variations and modifications as the Speaker may make; and

That this House do recommend to Rajya Sabha that Rajya Sabha do join the said Joint Committee and communicate to this House the names of 10 members to be appointed by Rajya Sabha to the Joint Committee.

## **APPENDIX II**

(vide Para 3 of the Report)

**(Parliamentary Bulletin - Part I dated August 11, 2017)**

### **MOTION IN RAJYA SABHA FOR REFERENCE OF THE BILL TO THE JOINT COMMITTEE**

“That this House concurs in the recommendation of the Lok Sabha that this House do join in the Joint Committee of the Houses on the Bill to provide for the resolution of certain categories of financial service providers in distress; the deposit insurance to consumers of certain categories of financial services; designation of systemically important financial institutions; and establishment of a Resolution Corporation for protection of consumers of specified service providers and of public funds for ensuring the stability and resilience of the financial system and for matters connected therewith or incidental thereto and resolves that the following Members of the Rajya Sabha be nominated to serve on the said Joint Committee:—

1. Shri Ajay Sancheti
2. Shri Bhupender Yadav
3. Shri Naresh Gujral
4. Shri Anand Sharma
5. Shri Bhubaneshwar Kalita
6. Shri Praful Patel
7. Shri Ravi Prakash Verma
8. Shri Ram Chandra Prasad Singh
9. Shri Sukhendu Sekhar Roy
10. Shri Satish Chandra Mishra

**Appendix III**  
**(vide Para 4 of the Report)**

**LIST OF STAKEHOLDERS / PUBLIC AT LARGE FROM WHOM MEMORANDA WERE RECEIVED BY THE JOINT COMMITTEE IN RESPONSE TO THE PRESS COMMUNIQUE ISSUED ON 07.09.2017**

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Sl. No.	Name of Person/Organization
1.	Shri P.S. Natarajan* Email : <a href="mailto:nspblitz@gmail.com">nspblitz@gmail.com</a>
2.	Shri Sivakumar Duraipandy* Email : <a href="mailto:sivakumar1.d@gmail.com">sivakumar1.d@gmail.com</a>
3.	Yashwantrao Chavan Pratishthan Mumbai, Agriculture & Cooperation Forum 2144/45, Sadashiv Peth, Vishal Sahyadri Sadan, Tilak Road, Pune-411030
4.	PRS Legislative Research Institute for Policy Research Studies, 3rd Floor, Gandharva Mahavidyalaya, 212, Deen Dayal Upadhyaya Marg, New Delhi-110002
5.	All India Bank Employees' Association Prabhat Nivas, Singapore Plaza, 164, Linghi Chetty Street, Chennai-600001 Email : <a href="mailto:chv.aibea@gmail.com">chv.aibea@gmail.com</a> <a href="mailto:aibeahq@gmail.com">aibeahq@gmail.com</a>
6.	All India Bank Officers' Confederation (Registered under the Trade Unions Act 1926, Registration No: 3427/Delhi) State Bank of India Officers' Association 4th Floor, SBI Administrative Unit, No.86, Rajaji Salai, Chennai-600001 Email : <a href="mailto:aiboc.sectt@gmail.com">aiboc.sectt@gmail.com</a>
7.	Shri R. Vaidyanathan Email : <a href="mailto:vid5856@gmail.com">vid5856@gmail.com</a>
8.	Deutsche Bank Global Markets The Capital, 14th Floor, C-70, G Block, Bandra Kurla Complex Mumbai-400051 Email : <a href="mailto:shibani.rao@db.com">shibani.rao@db.com</a> <a href="mailto:srinivas.varadaradan@db.com">srinivas.varadaradan@db.com</a>
9.	Shri Vinayachandran.S Navaneetham, Klra 444 A, Kukkilliya Lane, Jagathy, Trivandrum 695014 Email : <a href="mailto:vinchand59@gmail.com">vinchand59@gmail.com</a>

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\* Received two memoranda from each.

Sl. No.	Name of Person/Organization
10.	Vidhi Central For Legal Policy D-359, Defence Colony, New Delhi-110024 Email : <a href="mailto:vclp@vidhilegalpolicy.in">vclp@vidhilegalpolicy.in</a>
11.	Juris Corp advocates & solicitors 902, Tower-2, Indiabulls Finance Centre, S.B. Marg, Elphinstone Road (W) Mumbai 400013, India Email : <a href="mailto:jayesh.h@jclcx.com">jayesh.h@jclcx.com</a> <a href="mailto:shan.bottlewalla@jclcx.com">shan.bottlewalla@jclcx.com</a> <a href="mailto:nikita.chawla@jclcx.com">nikita.chawla@jclcx.com</a>
12.	Asia Securities Industry & Financial Markets Association (ASIFMA) Unit 3603, Tower 2 Lippo Centre, 89 Queensway Admiralty, Hong Kong Email : <a href="mailto:mausten@asifma.org">mausten@asifma.org</a>
13.	Chutka Parmanu Virodhi Sangharsh Samitee Narayanganj, Mandla, M.P Email : <a href="mailto:manavraj79@gmail.com">manavraj79@gmail.com</a>
14.	Bargi Bandh Visthapit Evam Parbhavit Sangh Jabalpur, M.P Email : <a href="mailto:rajkumarbargi@gmail.com">rajkumarbargi@gmail.com</a>
15.	Rajendra Ravi Director, Institute for Democracy and Sustainability (IDS) Email : <a href="mailto:idsinitiative@gmail.com">idsinitiative@gmail.com</a> <a href="mailto:rajendraravi1857@gmail.com">rajendraravi1857@gmail.com</a>
16.	Ms. Madhavi Bansal Email : <a href="mailto:madhavibansal92@gmail.com">madhavibansal92@gmail.com</a>
17.	National Alliance of People's Movements 6/6, Jangpura B, Mathura Road, New Delhi 110014 Email : <a href="mailto:napmindia@gmail.com">napmindia@gmail.com</a>
18.	Maglin P Email : <a href="mailto:maglinep@gmail.com">maglinep@gmail.com</a>
19.	Joe Athialy Priya Dharshini Vimal Bhai Email : <a href="mailto:priyasushila@gmail.com">priyasushila@gmail.com</a>
20.	National Institute of Public Finance and Policy* 18/2, Satsang Vihar Marg, Special Institutional Area (Near JNU) New Delhi-11006

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\* Received two memoranda.

Sl. No.	Name of Person/Organization
21.	National Federation of Urban Cooperative Banks and Credit Societies Ltd. (NAFCUB) B-14, 3rd Floor, A-Block Shopping Complex, Naraina Vihar, Ring Road, New Delhi-110028 Email : <a href="mailto:coop@nafcube.org">coop@nafcube.org</a>
22.	Pune Jilha Nagari Sahakari Banks Association Ltd., Pune Email : <a href="mailto:punebankasso@gmail.com">punebankasso@gmail.com</a> <a href="mailto:punebankasso@yahoo.com">punebankasso@yahoo.com</a>
23.	Ahmednagar District Urban Co-operative Banks Association Ltd., Ahmednagar
24.	Moneylife Foundation 304, 3rd Floor Hind Service Industries Premises, Off Veer Savarkar Marg, Shivaji Park, Dadar (W), Mumbai-400028 Email : <a href="mailto:foundation@moneylife.in">foundation@moneylife.in</a> <a href="mailto:sucheta@moneylife.in">sucheta@moneylife.in</a> <a href="mailto:editor@moneylife.in">editor@moneylife.in</a>
25.	Nina Foundation Mumbai 240/11, Shankar Sadan, 1st Floor, Sion (E), Mumbai-400022 Email : <a href="mailto:ninafoundation@gmail.com">ninafoundation@gmail.com</a> <a href="mailto:ketnam@gmail.com">ketnam@gmail.com</a>
26.	All India Bank Pensioners' & Retirees' Confederation (AIBPARC) C/o Bank of India Officers' Association Bank of India, Kolkata Main Branch 23A, Netaji Subhas Road, Kolkata-700001 Email : <a href="mailto:aibparc@gmail.com">aibparc@gmail.com</a>
27.	The Maharashtra Urban Co-op. Banks' Federation Ltd. Bharatiya Krida Mandir, 4th Floor, Wadala, Mumbai-400031, P.B. No.7120 Email : <a href="mailto:admin@mucbf.com">admin@mucbf.com</a>
28.	Consumer Unity & Trust Society D-217, Bhaskar Marg, Bani Park, Jaipur-302016 Email : <a href="mailto:gc@cuts.org">gc@cuts.org</a> ; <a href="mailto:cuts@cuts.org">cuts@cuts.org</a>
29.	Balakedarara Vedike (Regd.) Udupi Consumers Forum ® Udupi Corporation Bank Road, North School Compound, Udupi-576101 (Udupi Dist. - Karnataka) Email : <a href="mailto:consmforum@gmail.com">consmforum@gmail.com</a>
30.	New Trade Union Initiative B-137, Dayanand Colony, First Floor, Lajpat Nagar Part IV, New Delhi-110024 Email : <a href="mailto:secretariat@ntui.org.in">secretariat@ntui.org.in</a>
31.	Udupi Senior Citizens' Association (R.) Opp. War Memorial, Ajjarkad, Udupi-576101

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Sl. No.	Name of Person/Organization
32	Bank Employees Federation of India Naresh Paul Centre 53 Radha Bazar Lane, (1st Floor), Kolkata-700001 Email : pradipbefi@yahoo.co.in



**APPENDIX IV**  
(vide para 8 of the Report)

**LIST OF STAKEHOLDERS WHO SUBMITTED MEMORANDA AND TENDERED EVIDENCE BEFORE THE JOINT COMMITTEE**

Sl. No.	Name of Stakeholders	Date on which evidence was taken
1	2	3
1.	The Ministry of Finance (Department of Economic Affairs)	6 <sup>th</sup> September, 2017
2.	The Ministry of Law and Justice (Legislative Department)	6 <sup>th</sup> September, 2017
3.	The Ministry of Law and Justice (Department of Legal Affairs)	6 <sup>th</sup> September, 2017
4.	Ministry of Finance (Department of Financial Services)	13 <sup>th</sup> September, 2017
5.	Ministry of Corporate Affairs	13 <sup>th</sup> September, 2017
6.	Department of Agriculture and Farmers Welfare	13 <sup>th</sup> September, 2017
7.	Ministry of Labour	13 <sup>th</sup> September, 2017
8.	Ministry of Social Justice and Empowerment	13 <sup>th</sup> September, 2017
9.	Ministry of Tribal Affairs	13 <sup>th</sup> September, 2017
10.	Central Bureau of Investigation (CBI)	20 <sup>th</sup> September, 2017
11.	Enforcement Directorate (ED)	20 <sup>th</sup> September, 2017
12.	ASSOCHAM	20 <sup>th</sup> September, 2017
13.	Confederation of Indian Industry (CII)	20 <sup>th</sup> September, 2017
14.	Competition Commission of India (CCI)	14 <sup>th</sup> November, 2017
15.	Oriental Insurance Company Limited (OICL)	14 <sup>th</sup> November, 2017
16.	National Housing Bank (NHB)	14 <sup>th</sup> November, 2017
17.	Indira Gandhi Institute of Development Research (IGIDR)	6 <sup>th</sup> December, 2017
18.	All India Bank Employees' Association (AIBEA)	6 <sup>th</sup> December, 2017
19.	All India Bank Officers' Confederation (AIBOC)	6 <sup>th</sup> December, 2017
20.	National Institute of Public Finance and Policy (NIPFP)	12 <sup>th</sup> January, 2018
21.	National Federation of Urban Cooperative Banks and Credit Societies Limited (NAFCUB)	12 <sup>th</sup> January, 2018
22.	Shri M.R. Umarji, Retd. Executive Director, RBI	22 <sup>th</sup> January, 2018
23.	Insolvency and Bankruptcy Board of India (IBBI)	22 <sup>th</sup> January, 2018
24.	Society of Insolvency Practitioners of India (SIPI)	22 <sup>th</sup> January, 2018
25.	Juris Corp Advocates and Solicitors	22 <sup>th</sup> January, 2018
26.	National Alliance of People's Movements (NAPM)	22 <sup>th</sup> January, 2018
27.	Ahmednagar District Urban Cooperative Banks Association Limited	22 <sup>th</sup> January, 2018
28.	All India Reserve Bank Employees Association	22 <sup>th</sup> January, 2018
29.	Reserve Bank of India	12 <sup>th</sup> February, 2018
30.	Small Industries Development Bank of India (SIDBI)	14 <sup>th</sup> May, 2018
31.	Institute of Chartered Accountants of India (ICAI)	14 <sup>th</sup> May, 2018
32.	Institute of Cost Accountants of India (ICAI)	4 <sup>th</sup> June, 2018
33.	Institute of Company Secretaries of India (ICSI)	4 <sup>th</sup> June, 2018
34.	Pension Fund Regulatory and Development Authority	19 <sup>th</sup> June, 2018
35.	Shri Yaga Venugopal Reddy*, Former Governor, Reserve Bank of India & Chairman, Fourteenth Finance Commission	--

\* Didn't depose before the Joint Committee.

**APPENDIX V**  
(vide para 8 of the Report)

**LIST OF STAKEHOLDERS WITH WHOM THE JOINT COMMITTEE HELD INFORMAL DISCUSSION AT MUMBAI FROM 03 OCTOBER, 2017 TO 05 OCTOBER, 2017**

Sl. NO.	Name of Stakeholders	Date on which informal discussion was held
1.	Bombay Stock Exchange (BSE) National Stock Exchange (NSE)	3rd October, 2017
2.	Power Finance Corporation (PFC) India Infrastructure Finance Company Limited (IIFCL) Indian Renewable Energy Development Agency (IREDA) Bajaj Finance Limited * Mahindra & Mahindra Financial Services Ltd * Kotak Mahindra Bank Finance Industry Development Council (FIDC)	3rd October, 2017
3.	Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL) National Securities Clearing Corporation Limited (NSCCL) Clearing Corporation of India Limited (CCIL)	3rd October, 2017
4.	Reserve Bank of India (RBI)	4th October, 2017
5.	Securities and Exchange Board of India (SEBI)	4th October, 2017
6.	Insurance Regulatory Development Authority of India (IRDAI) Life Insurance Corporation of India (LIC) General Insurance Corporation of India (GIC) National Insurance Company Limited (Kolkata, HQ) United India Insurance Company Limited (Chennai, HQ)	4th October, 2017
7.	Indian Banks' Association (IBA) State Bank of India (SBI) Central Bank of India (CBI) Bank of India (BOI) Union Bank of India (UBI) Bank of Maharashtra	5th October, 2017
8.	ICICI HDFC Axis Bank IDFC Bank	5th October, 2017
9.	National Bank for Agriculture and Rural Development (NABARD) Deposit Insurance and Credit Guarantee Corporation (DICGC) * Credit Rating Information Services of India Ltd. (CRISIL) Fitch Ratings * J M Financial Federation of Indian Chambers of Commerce & Industry (FICCI)	5th October, 2017

\* Did not submit written Memorandum.

**APPENDIX VI**  
(vide para 10 of the Report)  
**(Bulletin - Part I dated December 18, 2017)**

**MOTION REGARDING REPORT OF THE JOINT COMMITTEE - EXTENSION OF TIME**

Smt. Sumitra Mahajan announced the following motion:-

"Hon'ble Members, I have to inform the House that the Joint Committee on 'The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement (Amendment) Second Bill, 2015' have decided to seek further extension of time for presentation of the Report on the Bill upto the last day of the Monsoon Session, 2018 as the Report could not be finalized by the extended timeline granted by the House i.e. 15th December, 2017. Similarly, the Joint Committee on 'The Financial Resolution and Deposit Insurance Bill, 2017' have decided to seek extension of time upto the last day of Budget Session, 2018 as the Report of the Joint Committee would not be ready for presentation by the timeline given by the House i.e. 15th December, 2017. Motion regarding extension of time of these two Joint Committees could not be moved in the House on 15th December, 2017, as the House was adjourned after making Obituary References. Hence, I have on behalf of the House granted extension of time as sought by these two Joint Committees for presentation of the Reports."

**MOTION REGARDING REPORT OF THE JOINT COMMITTEE - EXTENSION OF TIME**  
**(Bulletin - Part I dated March 16, 2018)**

Shri Bhartruhari Mahtab moved the following motion :-

'That this House do extend time for presentation of the Report of the Joint Committee on the Financial Resolution and Deposit Insurance Bill, 2017 upto the last day of the Monsoon Session, 2018.' The motion was adopted.

**APPENDIX VII**

(vide para 12 of the Report)

**Notice for the motion for withdrawal of the Bill received from the Minister of Finance containing reasons therefor**

**MOTION FOR WITHDRAWAL OF  
THE FINANCIAL RESOLUTION DEPOSIT INSURANCE BILL, 2017**

F.No. A-11017/1/2015-FSLRC

Dated : 20<sup>th</sup> July, 2018

To  
The Secretary General  
Lok Sabha  
New Delhi

Madam,

I give notice of my intention to move for leave to withdraw 'The Financial Resolution Deposit Insurance Bill, 2017' during the current session of the Lok Sabha and also to withdraw the Bill.

Yours faithfully,

Sd/-  
(Piyush Goyal)  
Finance Minister

**Statement of Reasons for withdrawal of the 'The Financial Resolution and Deposit Insurance Bill, 2017' under Direction 36 of the Directions of the Speaker, Lok Sabha**

---

The FRDI Bill was introduced in Lok Sabha on 10<sup>th</sup> August, 2017 and thereafter, was referred to the Joint Committee of Parliament, which has been asked to submit its report on the Bill by the last day of the current Monsoon Session.

2. The FRDI Bill sought to, inter-alia, make an enabling law for creation of an independent Resolution Corporation (RC) to contribute to the stability and resilience of the financial system by carrying out speedy and efficient resolution of financial firms in distress, providing deposit insurance to consumers of certain categories of financial services, monitoring the Systemically Important Financial Institution, and protecting the consumers of financial institutions and public funds to the extent possible.

3. The stakeholders including public have raised apprehensions relating to the provisions of the FRDI Bill, like the use of bail-in instrument to resolve a failing bank, the adequacy of deposit insurance cover and the felt need to revise the insurance limit substantially, and application of resolution framework for public sector banks. Resolution of these issues would require a comprehensive examination and reconsideration. It is, therefore, appropriate that the Bill may be withdrawn.

4. In view of the above, the legislative proposal to enact the FRDI Bill is being dropped and the FRDI Bill is being withdrawn from the Lok Sabha to enable further comprehensive examination and reconsideration of the subject.

Sd/-  
**(Piyush Goyal)**

Finance Minister

## APPENDIX VIII

### MINUTES OF THE FIRST SITTING OF THE JOINT COMMITTEE ON FINANCIAL RESOLUTION AND DEPOSIT INSURANCE BILL, 2017

The Committee sat on Wednesday, the 06<sup>th</sup> September, 2017 from 1500 hrs. to 1630 hrs. in Committee Room 'B', Ground Floor, Parliament House Annexe, New Delhi.

#### PRESENT

**Shri Bhupender Yadav** - Chairperson

#### MEMBERS

##### *Lok Sabha*

2. Shri Anil Gulabrao, Shirole
3. Shri Subhash Chandra Baheria
4. Dr. Kirit Somaiya
5. Shri Nishikant Dubey
6. Shri Gaurav Gogoi
7. Dr. Sanjay Jaiswal
8. Shri P. Karunakaran
9. Shri S.P. Mudduhanumegowda
10. Shri Jagdambika Pal
11. Shri Konda Vishweshkar Reddy
12. Shri Gopal Chinayya Shetty
13. Shri Shivkumar Chanabasappa Udasi
14. Dr. Ponnusamy Venugopal

##### *Rajya Sabha*

15. Shri Naresh Gujral
16. Shri Bhubaneshwar Kalita
17. Shri Praful Patel
18. Shri Ajay Sancheti
19. Shri Ram Chandra Prasad Singh
20. Shri Ravi Prakash Verma

#### Special Invitee

Shri Sukhendu Sekhar Ray

#### Secretariat

1. Smt. Sudesh Luthra - Additional Secretary
2. Shri J.V.G. Reddy - Director
3. Shri Laskhmikanta Singh - Deputy Secretary

## **REPRESENTATIVES OF THE MINISTRIES / DEPARTMENTS**

### **Ministry of Finance (Department of Economic Affairs)**

- |    |                      |   |                        |
|----|----------------------|---|------------------------|
| 1. | Shri Dinesh Sharma   | - | Special Secretary (EA) |
| 2. | Dr. Shashank Saksena | - | Advisor (CM)           |
| 3. | Shri Virender Singh  | - | Director (FSLRC)       |

### **Ministry of Law & Justice (Legislative Department)**

- |    |                      |   |   |
|----|----------------------|---|---|
| 1. | Dr. G. Narayana Raju | - | Secretary                               |
| 2. | Dr. N.R. Battu       | - | Joint Secretary and Legislative Counsel |
| 3. | Shri Diwakar Singh   | - | Additional Legislative Counsel          |

### **(Department of Legal Affairs)**

- |    |                       |   |                                 |
|----|-----------------------|---|---------------------------------|
| 1. | Shri Suresh Chandra   | - | Law Secretary                   |
| 2. | Dr. Rajiv Mani        | - | Joint Secretary & Legal Adviser |
| 3. | Dr. R.J.R. Kasibhatla | - | Deputy Legal Adviser            |

2. The Chairperson welcomed the members to the first sitting of the Joint Committee and apprised that the Joint Committee of the Houses has been constituted on a motion moved and adopted in Lok Sabha on the 10<sup>th</sup> August, 2017 and concurred in by Rajya Sabha on 11<sup>th</sup> August, 2017 with the mandate to examine the Financial Resolution and Deposit Insurance Bill, 2017 and present report to the Parliament by the last day of the first week of the next Session i.e. Winter Session, 2017. Referring to the Objects and Reasons of the Bill, the Chairperson stated that the FRDI Bill together with the Insolvency and Bankruptcy Code, 2016 is expected to provide a comprehensive resolution mechanism for our economy. The Bill *inter alia* provides for establishment of a Resolution Corporation, designation of certain financial service providers and constitution of certain funds for the purposes of the proposed legislation and seeks to repeal the Deposit Insurance and Credit Guarantee Corporation Act, 1961 and amendment of certain enactments. The Chairperson then sought the cooperation of members to fulfill the onerous task entrusted to the Committee.

3. The Committee thereafter deliberated on the methodology for completion of the task assigned and decided that a press communiqué may be issued in media through DAVP inviting views and suggestions from various stakeholders and public at large on the provisions of the aforesaid Bill. The Committee further decided to undertake a study visit to Mumbai to hold informal consultations/hear views of various Mumbai based stakeholders mainly, RBI, SEBI, Public Sector Banks / Private Banks, Indian Bank Association, Insurance Companies, Multi-State Cooperative Banks and some non-banking financial companies and experts etc.

*[The representatives of the Ministry of Finance (Department of Economic Affairs) and representatives of the Ministry of Law and Justice (Legislative Department and Department of Legal Affairs) were then called in.]*

4. The Chairperson welcomed the representatives of the Ministry of Finance (Department of Economic Affairs) and Ministry of Law and Justice (Legislative Department and Department of Legal Affairs) and drew their attention to Direction 55(1) of the Directions by the Speaker, Lok Sabha regarding confidentiality of the proceedings of the Committee.

5. The Special Secretary, Department of Economic Affairs then explained the background of the legislation, the need for a resolution regime, gaps in the existing system, the legal framework proposed for resolution of financial entities as also in brief the provisions made in the Financial Resolution and Deposit Insurance Bill, 2017. The members raised queries on various aspects / issues concerning the legislation during the course of deliberations, to which the representatives of the Ministries responded. The representatives were asked to send written replies to the points on which the information was not readily available.

*The witnesses then withdrew.*

A verbatim record of the proceedings has been kept.

*The Committee then adjourned.*

\*\*\*\*\*



**MINUTES OF THE SECOND SITTING OF THE**

**JOINT COMMITTEE ON FINANCIAL RESOLUTION AND DEPOSIT INSURANCE BILL, 2017**

The Committee sat on Wednesday, the 13<sup>th</sup> September, 2017 from 1430 hrs. to 1745 hrs. in Committee Room No. 3, Block 'A', First Floor, Parliament House Annexe Extension Building, New Delhi.

**PRESENT**

**Shri Bhupender Yadav - Chairperson**

**MEMBERS**

***Lok Sabha***

2. Shri Anil Gulabrao, Shirole
3. Shri Subhash Chandra Baheria
4. Dr. Kirit Somaiya
5. Shri Nishikant Dubey
6. Shri Gaurav Gogoi
7. Dr. Sanjay Jaiswal
8. Shri P. Karunakaran
9. Shri Gajanan Chardrakant Kirtikar
10. Shri Bhartruhari Mahtab
11. Shri Konda Vishweshkar Reddy
12. Prof. Saugata Roy
13. Shri Gopal Chinayya Shetty
14. Shri Shivkumar Chanabasappa Udasi
15. Dr. Ponnusamy Venugopal

***Rajya Sabha***

16. Shri Anand Sharma
17. Shri Naresh Gujral
18. Shri Bhubaneshwar Kalita
19. Shri Ajay Sancheti
20. Shri Ravi Prakash Verma

**Special Invitee**

Shri Sukhendu Sekhar Ray

**Secretariat**

1. Smt. Sudesh Luthra - Additional Secretary
2. Shri J.V.G. Reddy - Director

**Representatives Of The Ministries / Departments who assisted the Committee**

**Ministry of Finance  
(Department of Economic Affairs)**

1. Shri Dinesh Sharma - Special Secretary (EA)
2. Dr. Shashank Saksena - Advisor (CM)
3. Shri Virender Singh - Director (FSLRC)

**Ministry of Law & Justice  
(Legislative Department)**

1. Dr. N.R. Battu - Joint Secretary and Legislative Counsel
2. Shri Diwakar Singh - Additional Legislative Counsel

**(Department of Legal Affairs)**

1. Shri Suresh Chandra - Law Secretary
2. Dr. Rajiv Mani - Joint Secretary & Legal Adviser

**Representatives of Ministries / Departments who deposed before the Committee**

**Ministry of Finance  
(Department of Financial Services)**

1. Shri Rajiv Kumar - Secretary (DFS)
2. Shri Madnesh Kumar - Joint Secretary  
Mishra -
3. Shri Sudhir Shyam - Director

**Ministry of Corporate Affairs**

1. Shri Tapan Ray - Secretary
2. Shri Amardeep Singh - Joint Secretary  
Bhatia -
3. Shri K.V.R Murthy - Joint Secretary
4. Ms. Smita Jhingran - Secretary (CCI)

## Department of Agriculture and Farmers Welfare

1. Shri Shobhana K Pattanayak - Secretary
2. Shri Ashish Kumar Bhutani - Joint Secretary (Cooperation & Credit)
3. Smt. Kamna R. Sharma - Deputy Commissioner (Cooperation & Credit)

## Ministry of Labour

1. Smt. M. Sathiyavathy - Secretary
2. Shri Arun Goel - AS &FA
3. Shri R.K. Gupta - Joint Secretary
4. Shri V.P. Joy - Central Provident Fund Commissioner, EPFO
5. Shri Raj Kumar - Director General, ESIC
6. Smt. Sandhya Shukla - Financial Commissioner, ESIC

## Ministry of Social Justice and Empowerment

1. Smt. G. Latha Krishna Rao - Secretary
2. Shri Sandeep Gupta - Director

## Ministry of Tribal Affairs

1. Ms. Leena Nair - Secretary (TA)
2. Shri Rajesh Aggarwal - Joint Secretary (TA)

2. At the outset the Chairperson welcomed the members and representatives to the sitting of the Joint Committee convened to take oral evidence of the representatives of Department of Financial Services, Ministry of Corporate Affairs, Department of Agriculture and Farmers Welfare, Ministry of Labour, Ministry of Social Justice and Empowerment and Ministry of Tribal Affairs on the provisions contained in the Financial Resolution and Deposit Insurance Bill, 2017. The Chairperson also welcomed the representatives of the Department of Economic Affairs and Ministry of Law and Justice and then drew attention to the provisions of Directions 55 & 58 regarding the confidentiality of the evidence tendered before the Committee.

3. The representatives of the Department of Financial Services then presented their views on various aspects of the Bill in the context of their mandate and of the recommendations made by the Financial Sector Legislative Reforms Commission for a Resolution Corporation for resolution of specified financial service providers in distress. They briefly explained the various aspects of the Bill which *inter alia* included the provisions relating to the repeal of Deposit Insurance and Credit Guarantee Corporation, the procedure of resolution of financial entities, the role and functions of the various Regulators under the Resolution Corporation, the criteria of risk assessment etc.

4. The representatives of the Ministry of Corporate Affairs presented their views on the provisions contained in the Bill in the context of their mandate and explained *inter-alia* that they were in agreement with certain amendments proposed to the Companies Act, 2013, Insolvency and Bankruptcy Code, 2016 and Competition Act, 2002 in the Bill.

5. The representatives of the Department of Agriculture and Farmers Welfare then presented their views on the provisions contained in the Bill in the context of their mandate. While agreeing with the amendments proposed in the Bill to the Multi State Cooperative Societies Act, 2002 and Companies Act, 2013, the Ministry explained that once a cooperative bank is wound up, the entity will continue as a Multi Cooperative Society and therefore the liquidator has to be appointed in terms of the provisions of Multi State Cooperative Societies Act, 2002 and a provision in this regard needs to be added. The Ministry also explained that they are going to make all these amendments in the Multi State Cooperative Societies Act, 2002 and some changes would be required in serial no. as separate amendments have been proposed in the Multi State Cooperative Societies Act, 2002.

6. The representatives of the Department of Financial Services, Ministry of Corporate Affairs and Department of Agriculture and Farmers Welfare submitted their respective clarifications to the queries raised by the members and they were asked to submit written replies / clarifications in respect of the queries on which information was not readily available.

*[The representatives then withdrew and then the representatives of Ministry of Labour, Ministry of Social Justice and Empowerment and Ministry of Tribal Affairs were called in to tender evidence.]*

7. The representatives of Ministry of Labour explained that the basic mandate of the Ministry is to ensure job security, social security and wage security for the workmen. They suggested that in the event of distribution of assets on liquidation of an institution, whatever wages are due to the workmen should be protected under Clause 80 of the Bill. Similarly, the unpaid Provident Fund dues of the employees / workmen should be made part of the priority list for payment of wages and salary in the Bill. They also clarified that the two autonomous bodies namely ESIC and EPFO under the Ministry have investments in financial institutions. The surplus of ESIC is invested in fixed deposits of the Banks while 30 percent of EPFO funds are invested in Public Sector Undertakings or Private Corporate Bonds and about 2.5 percent of funds is invested in equity. They suggested that these funds of the ESIC and EPFO need to be protected by giving higher priority in the waterfall mechanism under Clause 80 of the Bill because the money of these two funds is collected from the employees and employers for the welfare of the employees.

8. The representatives of the Ministry of Social Justice and Empowerment thereafter explained that they provide loan assistance to the beneficiaries of Scheduled Castes, Backward Classes, Disabled Persons and Safai Karmacharies through four Corporations. Besides the Ministry has a venture capital fund with IFCI. They clarified that the funds are given by the Ministry to the Corporations through various Banks for lending to be beneficiaries. Since the priority of Government dues is presently very low in the waterfall mechanism under Clause 80 of the Bill, the Ministry suggested for protection of Government money placed in Banks for

loaning to SCs, OBCs and Disabled Persons by giving it higher priority in the waterfall mechanism.

9. The representative of Ministry of Tribal Affairs explained that the Ministry has a corporation which gives loans to people belonging to Tribal Community through various Banks. Since the Government funds placed in the Banks are on low priority in the waterfall mechanism under Clause 80 of the Bill, they suggested for protection of these funds by giving higher priority in the waterfall mechanism as suggested by the Ministry of Social Justice and Empowerment.

10. The representatives of the Ministry of Labour, Ministry of Social Justice and Empowerment and Ministry of Tribal Affairs submitted their respective clarifications to the queries raised by the members and they were asked to submit written replies / clarifications in respect of the queries on which information was not readily available.

*The representatives then withdrew*

The verbatim record of the proceedings has been kept.

The Committee then adjourned.

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**MINUTES OF THE THIRD SITTING OF  
THE JOINT COMMITTEE ON FINANCIAL RESOLUTION AND DEPOSIT  
INSURANCE BILL, 2017**

The Committee sat on Wednesday, the 20<sup>th</sup> September, 2017 from 1500 hrs. to 1715 hrs. in Committee Room 'D', Ground Floor, Parliament House Annexe, New Delhi.

**PRESENT**

**Shri Bhupender Yadav - Chairperson**

**MEMBERS**

***Lok Sabha***

2. Shri Anil Gulabrao Shirole
3. Shri Subhash Chandra Baheria
4. Dr. Kirit Somaiya
5. Shri Nishikant Dubey
6. Shri Gaurav Gogoi
7. Dr. Sanjay Jaiswal
8. Shri Gajanan Chardrakant Kirtikar
9. Shri Bhartruhari Mahtab
10. Shri S.P Madduhanumegowda
11. Shri Jagdambika Pal
12. Shri Konda Vishweshkar Reddy
13. Prof. Saugata Roy
14. Shri Shivkumar Chanabasappa Udasi
15. Dr. Ponnusamy Venugopal

***Rajya Sabha***

16. Shri Anand Sharma
17. Shri Naresh Gujral
18. Shri Bhubaneshwar Kalita
19. Shri Ajay Sancheti
20. Shri Ram Chandra Prasad Singh
21. Shri Ravi Prakash Verma

**Special Invitee**

Shri Sukhendu Sekhar Ray

## Secretariat

1. Smt. Sudesh Luthra - Additional Secretary
2. Shri S. Lakshmikanta Singh - Deputy Secretary

### REPRESENTATIVES OF THE MINISTRIES / DEPARTMENTS

#### **Ministry of Finance (Department of Economic Affairs)**

1. Shri Dinesh Sharma - Special Secretary (EA)
2. Dr. Shashank Saksena - Advisor (CM)
3. Shri Virender Singh - Director (FSLRC)

#### **Ministry of Law & Justice (Legislative Department)**

1. Dr. N.R. Battu - Joint Secretary and Legislative Counsel
2. Shri Diwakar Singh - Additional Legislative Counsel

#### **(Department of Legal Affairs)**

1. Shri Suresh Chandra - Law Secretary
2. Dr. Rajiv Mani - Joint Secretary & Legal Adviser
3. Dr. R.J.R. Kasibhatla - Deputy Legal Adviser

2. At the outset, the Chairperson welcomed the Members to the sitting of the Joint Committee convened to take oral evidence of the Central Bureau of Investigation (CBI) and the Enforcement Directorate (ED) in the first part and the Confederation of Indian Industries (CII) and the Associated Chambers of Commerce and Industry of India (ASSOCHAM) in the second part on the subject "Financial Resolution and Deposit Insurance Bill, 2017". In the first part of the oral evidence, the representatives of the following stakeholders/investigating agencies deposed before the Committee.

#### **(i) Central Bureau of Investigation**

1. Shri Alok Kumar Verma - Director
2. Shri R.K Asthana - Additional Director
3. Shri Arun Kumar Sharma - Joint Director (P)
4. Shri O.P Verma - Director of Prosecution

#### **(ii) Enforcement Directorate**

1. Shri Karnal Singh - Director
2. Shri Devinder Kumar Gupta - Special Director
3. Shri Ashish Chandra Singh - Deputy Legal Advisor

3. Before the Committee proceeded to hear the oral evidence of the representatives of the above stakeholders/investigating agencies , the Chairperson drew their attention to the provisions contained in Directions 55 and 58 of the Directions by the Speaker regarding the confidentiality of the evidence tendered before the Committee. The representatives presented their views on various aspects related to examination of the above mentioned Bill particularly in the context of investigation and adjudication of cases of financial offences/frauds *vis-a-vis* penalties prescribed in Clauses 98- 113(Chapter XV) of the Bill.

4. During the course of evidence, the Chairperson and Members raised certain queries/sought clarifications which were responded to by the representatives of the aforesaid agencies. The representatives were asked to submit written replies/clarifications in respect of quires to which replies were not readily available.

*The witnesses then withdrew.*

5. Thereafter, the representatives of the Confederation of Indian Industries (CII) and the Associated Chambers of Commerce and Industry of India (ASSOCHAM) were called in for the second part of the oral evidence. Welcoming them, the Chairperson drew the attention of the representatives to the Directions 55 and 58 of the Directions by the Speaker regarding the confidentiality of the evidence tendered before the Committee. The following representatives were present during the oral evidence:

**(iii) Confederation of Indian Industry**

1. Smt. Anuradha Kapoor Salwan - Director, Financial Sector (CII)
2. Shri R Deepak Joshi - Deputy Director, Financial Sector (CII)
3. Smt. Veena Sivaramakrishnan - Partner, Shardul Amarchand Mangaldas & Co.

**(iv) Associated Chambers of Commerce and Industry of India**

1. Shri Vikash Khandelwal - CEO, SREI Insurance Broking Pvt. Ltd

6. The representatives highlighted several clauses of the Bill and presented their views on diverse aspects as provided in the legislation and suggested modifications/amendments. The Chairperson and Members raised various queries/sought clarifications which were responded to by the representatives of the aforesaid Bodies. In respect of certain queries to which replies were not readily available, the representatives were asked to submit written replies/clarifications.

*The witnesses then withdrew.*

7. A verbatim record of the proceedings has been kept.

*The Committee then adjourned.*

\*\*\*\*\*



**MINUTES OF THE FOURTH SITTING OF  
THE JOINT COMMITTEE ON FINANCIAL RESOLUTION AND DEPOSIT  
INSURANCE BILL, 2017**

The Committee sat on Tuesday, the 14<sup>th</sup> November, 2017 from 1100 hrs. to 1230 hrs. in Committee Room 'C', Ground Floor, Parliament House Annexe, New Delhi.

**PRESENT**

**Shri Bhupender Yadav - Chairperson**

**MEMBERS**

***Lok Sabha***

2. Shri Anil Gulabrao Shirole
3. Shri Subhash Chandra Baheria
4. Dr. Kirit Somaiya
5. Shri Nishikant Dubey
6. Dr. Sanjay Jaiswal
7. Shri P. Karunakaran
8. Shri Bhartruhari Mahtab
9. Shri S.P Madduhanumegowda
10. Shri Jagdambika Pal
11. Shri Konda Vishweshkar Reddy
12. Prof. Saugata Roy
13. Shri Gopal Chinayya Shetty
14. Shri Shivkumar Chanabasappa Udasi
15. Dr. Ponnusamy Venugopal

***Rajya Sabha***

16. Shri Anand Sharma
17. Shri Naresh Gujral
18. Shri Bhubaneshwar Kalita
19. Shri Satish Chandra Misra
20. Shri Ravi Prakash Verma

**Secretariat**

1. Smt. Sudesh Luthra - Additional Secretary
2. Shri J.V.G. Reddy - Director
3. Shri S. Lakshmikanta Singh - Deputy Secretary

## **REPRESENTATIVES OF THE MINISTRIES / DEPARTMENTS**

### **Ministry of Finance (Department of Economic Affairs)**

1. Shri Dinesh Sharma - Special Secretary (EA)
2. Dr. Shashank Saksena - Advisor (FSRL)
3. Shri Ashok Kumar Sinha - Consultant (FSRL)

### **MINISTRY OF LAW & JUSTICE (LEGISLATIVE DEPARTMENT)**

1. Dr. N.R. Battu - Joint Secretary and Legislative Counsel
2. Shri Diwakar Singh - Additional Legislative Counsel

### **(DEPARTMENT OF LEGAL AFFAIRS)**

1. Shri Suresh Chandra - Law Secretary
2. Shri Sudhi Ranjan Mishra - Additional Secretary
3. Dr. Rajiv Mani - Joint Secretary & Legal Adviser
4. Dr. R.J.R. Kasibhatla - Deputy Legal Adviser

2. At the outset, the Chairperson welcomed the Members to the sitting of the Joint Committee convened to take oral evidence of the Competition Commission of India, the Oriental Insurance Company Ltd. and National Housing Bank on the provisions of the Financial Resolution and Deposit Insurance Bill, 2017.

3. The Chairperson apprised the Committee that as per the mandate of the House, Joint Committee are required to finalize and present the Report on the Bill by the last day of the first week of the next Session i.e. Winter Session, 2017. The Committee noted that they undertook study visit to Mumbai from 03 to 05 October, 2017 and held informal discussions / consultations with 36 stakeholders which included regulators viz. RBI, IRDAI and SEBI, Public Sector Banks, private banks and other stakeholders. The Committee further noted that they have heard the views and suggestions of 47 stakeholders / organizations and concerned Ministries on the provisions of the Bill so far. Considering the fact that the Joint Committee are yet to hear some more stakeholders including the RBI Governor on the provisions of the Bill which would be followed by inviting notices of amendments from the members, consideration of the Bill clause wise and then consideration and adoption of the Report, the Committee decided to seek extension of time up to the last day of the Budget Session, 2018 for finalization and presentation of the Report on the Bill.

4. Thereafter, the following representatives of CCI deposed before the Committee:-

(i) **Competition Commission of India**

- |    |                           |   |                |
|----|---------------------------|---|----------------|
| 1. | Shri Devender Kumar Sikri | - | Chairperson    |
| 2. | Smt. Smita Jhingran       | - | Secretary      |
| 3. | Smt. Payal Malik          | - | Adviser (Eco.) |
| 4. | Shri Manoj Pandey         | - | Adviser (Law)  |
| 5. | Smt. Sibani Swain         | - | Adviser (Eco.) |

5. Before the Committee proceeded to hear the oral evidence of the representatives of the CCI, the Chairperson drew their attention to the provisions contained in Directions 55 and 58 of the Directions by the Speaker regarding the confidentiality of the evidence tendered before the Committee. The representatives presented their views on various aspects related to examination of the above mentioned Bill particularly in the context of Clause 37 (1) which provides for consultation in case of difference of opinion over classification of specified service providers.

6. During the course of evidence, Members raised certain queries/sought clarifications which were responded to by the representatives of the CCI. The representatives were asked to submit written replies/clarifications in respect of queries to which replies were not readily available.

*The witnesses then withdrew.*

7. The representatives of the Oriental Insurance Company Ltd. and National Housing Bank were then called in to present their respective views on the provisions of the Bill. Welcoming the representatives, the Chairperson drew their attention to the Directions 55 and 58 of the Directions by the Speaker regarding the confidentiality of the evidence tendered before the Committee. The following representatives were present during the oral evidence:

(ii) **ORIENTAL INSURANCE COMPANY LIMITED**

- |    |                      |   |                                |
|----|----------------------|---|--------------------------------|
| 1. | Shri A V Girijakumar | - | Chairman-cum-Managing Director |
| 2. | Shri V E Kaimal      | - | Director & General Manager     |

(iii) **NATIONAL HOUSING BANK**

- |    |                          |   |                         |
|----|--------------------------|---|-------------------------|
| 1. | Shri Sriram Kalyanaraman | - | Managing Director & CEO |
| 2. | Shri A.P. Saxena         | - | General Manager         |

8. The representatives of Oriental Insurance Company Limited explained certain issues related to the definition of Insurance Company as defined in the Bill and also the need for laying down specific parameters for defining the various categories of risk to viability which are relevant to the insurance sector as the parameters presently given in the Bill are broad in nature. They also suggested for providing specific parameters with regard to designation of systemically important financial institutions as relevant to the insurance sector.

9. The representatives of the National Housing Bank *inter-alia* explained to the Committee the role of the Bank as a regulator for the Housing Finance Companies registered with it, the need for inclusion of NHB as an appropriate regulator in the FRDI Bill and also bringing NHB and Housing Finance Companies under the provisions of the FRDI Bill instead of Insolvency and Bankruptcy Code.

10. The Members raised various queries/sought clarifications which were responded to by the representatives of the aforesaid Bodies. In respect of certain queries to which replies were not readily available, the representatives were asked to submit written replies/clarifications.

*The witnesses then withdrew.*

11. A verbatim record of the proceedings has been kept.

*The Committee then adjourned.*

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**MINUTES OF THE FIFTH SITTING OF  
THE JOINT COMMITTEE ON FINANCIAL RESOLUTION AND DEPOSIT  
INSURANCE BILL, 2017**

The Committee sat on Wednesday, the 6<sup>th</sup> December, 2017 from 1100 hrs. to 1300 hrs. in Committee Room 'B', Ground Floor, Parliament House Annexe, New Delhi.

**PRESENT**

**Shri Bhartruhari Mahtab - Acting Chairperson**

**MEMBERS**

***Lok Sabha***

2. Shri Anil Gulabrao Shirole
3. Shri Subhash Chandra Baheria
4. Shri Gaurav Gogoi
5. Shri P. Karunakaran
6. Shri S.P Muddahanumegowda
7. Shri Jagdambika Pal
8. Shri Chirag Paswan
9. Shri Konda Vishweshwar Reddy
10. Prof. Saugata Roy
11. Shri Gopal Chinayya Shetty
12. Shri Shivkumar Chanabasappa Udasi
13. Dr. Ponnusamy Venugopal

***Rajya Sabha***

14. Shri Naresh Gujral
15. Shri Bhubaneshwar Kalita
16. Shri Ajay Sancheti

**Special Invitee**

Shri Sukhendu Sekhar Ray

**Secretariat**

1. Shri J.V.G. Reddy - Director
2. Shri S. Lakshmikanta Singh - Deputy Secretary

## **REPRESENTATIVES OF THE MINISTRIES / DEPARTMENTS WHO ASSISTED THE COMMITTEE**

### **MINISTRY OF FINANCE (DEPARTMENT OF ECONOMIC AFFAIRS)**

1. Dr. Shashank Saksena - Advisor (FSRL)
2. Shri K.N. Mishra - Deputy Secretary (FSRL)
3. Shri Ashok Kumar Sinha - Consultant (FSRL)

### **MINISTRY OF LAW & JUSTICE (LEGISLATIVE DEPARTMENT)**

1. Dr. N.R. Battu - Joint Secretary and Legislative Counsel
2. Shri Diwakar Singh - Additional Legislative Counsel

### **(DEPARTMENT OF LEGAL AFFAIRS)**

1. Dr. Rajiv Mani - Joint Secretary & Legal Adviser
2. Dr. R.J.R. Kashibhatla - Deputy Legal Adviser

2. At the outset, the Committee chose under Rule 258 Shri Bhartruhari Mahtab to act as Chairperson for the sitting in the absence of the Chairperson of the Committee. The acting Chairperson then welcomed the Members to the sitting of the Joint Committee convened to take oral evidence of the representatives of Indira Gandhi Institute of Development Research (IGIDR), All India Bank Employees' Association (AIBEA) and All India Bank Officers' Confederation (AIBOC) on the provisions of the "Financial Resolution and Deposit Insurance Bill, 2017".

3. Thereafter, the following representative of the Indira Gandhi Institute of Development Research deposited before the Committee :-

#### **(i) Indira Gandhi Institute of Development Research (IGIDR)**

Ms. Bhargavi Zaveri - Research Consultant at IGIDR, FRG

4. The acting Chairperson welcomed the representative and drew her attention to the provisions contained in Directions 55 and 58 of the Directions by the Speaker regarding the confidentiality of the evidence tendered before the Committee. The representative then presented views on various aspects related to examination of the above mentioned Bill particularly in the context of inclusion of financial service providers in both IBC and FRDI Bill, role and power of RC and bail-in provisions.

5. During the course of evidence, the Members raised certain queries/sought clarifications which were responded to by the representative of the IGIDR. The representative was asked to submit written replies/clarifications in respect of queries to which replies were not readily available.

*The witness then withdrew.*

6. Thereafter, the representatives of the All India Bank Employees' Association (AIBEA) and All India Bank Officers' Confederation (AIBOC) were called in. The following representatives were present during the oral evidence:

**(ii) ALL INDIA BANK EMPLOYEES' ASSOCIATION (AIBEA)**

1. Shri C.H. Venkatachalam - General Secretary
2. Shri J.P. Sharma - Vice President

**(iii) ALL INDIA BANK OFFICERS' CONFEDERATION (AIBOC)**

1. Shri D.T. Franco - General Secretary
2. Shri Debashish Ghosh - Senior Vice President, AIBOC & General Secretary, All India Union Bank Officers' Federation
3. Shri G.V. Manimaran - Senior Vice President, AIBOC & General Secretary Canara Bank Officers' Association

7. Welcoming the representatives, the Chairperson drew their attention to the Directions 55 and 58 of the Directions by the Speaker regarding the confidentiality of the evidence tendered before the Committee. Then, they deposed before the Committee. The representatives of All India Bank Employees' Association (AIBEA) and All India Bank Officers' Confederation presented their views on various clauses of the Bill which include inter-alia (i) Clause 63 (1) relating to liquidation, (ii) Clause 3 about the Resolution Corporation, (iii) Clause 52 (1) on bail in provisions, (iv) section 50 (1) and (4) regarding bridge service provider and (v) Non-performing assets of the banks, merger of the banks and strengthening of the Indian banking system. The Members raised various queries/sought clarifications which were responded to by the representatives of the aforesaid Bodies. In respect of certain queries to which replies were not readily available, the representatives were asked to submit written replies/clarifications.

*The witnesses then withdrew.*

8. A verbatim record of the proceedings has been kept.

*The Committee then adjourned.*

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**MINUTES OF THE SIXTH SITTING OF  
THE JOINT COMMITTEE ON FINANCIAL RESOLUTION AND DEPOSIT  
INSURANCE BILL, 2017**

The Committee sat on Friday, the 12<sup>th</sup> January, 2018 from 1130 hrs. to 1300 hrs. in Committee Room 'G-074', Ground Floor, Parliament Library Building, New Delhi.

**PRESENT**

**Shri Bhupender Yadav - Chairperson**

**MEMBERS**

***Lok Sabha***

2. Shri Subhash Chandra Baheria
3. Shri Nishikant Dubey
4. Shri Bhartruhari Mahtab
5. Shri S.P Muddahanumegowda
6. Shri Jagdambika Pal
7. Shri Konda Vishweshwar Reddy
8. Prof. Saugata Roy
9. Shri Gopal Chinayya Shetty
10. Shri Shivkumar Chanabasappa Udasi
11. Dr. Ponnusamy Venugopal

***Rajya Sabha***

12. Shri Naresh Gujral
13. Shri Bhubaneshwar Kalita
14. Shri Ajay Sancheti
15. Shri Ravi Prakash Verma

**Secretariat**

1. Smt. Sudesh Luthra - Additional Secretary
2. Shri J.V.G. Reddy - Director
3. Shri S. Lakshmikanta Singh - Deputy Secretary



## **REPRESENTATIVES OF THE MINISTRIES / DEPARTMENTS WHO ASSISTED THE COMMITTEE**

### **MINISTRY OF FINANCE (DEPARTMENT OF ECONOMIC AFFAIRS)**

1. Dr. Shashank Saksena - Advisor (FSRL)
2. Shri K.N. Mishra - Deputy Secretary (FSRL)

### **MINISTRY OF LAW & JUSTICE (LEGISLATIVE DEPARTMENT)**

1. Dr. G. Narayana Raju - Secretary
2. Dr. N.R. Battu - Joint Secretary and Legislative Counsel
3. Shri Diwakar Singh - Additional Legislative Counsel

### **(DEPARTMENT OF LEGAL AFFAIRS)**

1. Shri Suresh Chandra - Secretary
2. Dr. Rajiv Mani - Joint Secretary & Legal Adviser
3. Dr. R.J.R. Kashibhatla - Deputy Legal Adviser

2. At the outset, the Chairperson welcomed the Members to the sitting of the Joint Committee convened to take oral evidence of the National Institute of Public Finance and Policy and National federation of Urban Cooperative Banks and Credit Societies Ltd. (NAFCUB) on the provisions of the Financial Resolution and Deposit Insurance Bill, 2017.

3. Thereafter, Dr. Ila Patnaik, representative of National Institute of Public Finance and Policy deposed before the Committee.

4. The Chairperson welcomed the representative and drew her attention to the provisions contained in Directions 55 and 58 of the Directions by the Speaker regarding the confidentiality of the evidence tendered before the Committee. The representative then presented her views on various provisions of the Bill which *inter-alia* include section 128 which mandates the corporation and the appropriate regulator to share and exchange, supervisory information including inspection reports relating to such specified service providers which have been classified in the category of material, imminent or critical risk to viability. She also presented her views on Section 20 (1) and (2) of the Bill which provides for consultation among Resolution Corporation and other appropriate regulators with all relevant Stakeholders before making any regulation under this Act and ensuring transparency by Resolution Corporation in the discharge of its powers and functions.

5. During the course of evidence, the Members raised certain queries/sought clarifications which were responded to by the representative of the National Institute of Public Finance and

Policy. The representative was asked to submit written replies/clarifications in respect of queries to which replies were not readily available.

*The witness then withdrew.*

6. Thereafter, the representatives of the National Federation of Urban Cooperative Banks and Credit Societies Ltd. (NAFCUB) were called in. The following representatives were present during the oral evidence:

**(ii) National federation of Urban Cooperative Banks and Credit Societies Ltd.  
(NAFCUB)**

- |                         |   |                       |
|-------------------------|---|-----------------------|
| 1. Shri R.B. Sandilya   | - | Officiating President |
| 2. Shri V. Anaskar      | - | Vice-President        |
| 3. Shri Jyotindra Mehta | - | Director              |

7. Welcoming the representatives, the Chairperson drew their attention to the Directions 55 and 58 of the Directions by the Speaker regarding the confidentiality of the evidence tendered before the Committee. The representatives of National Federation of Urban Cooperative Banks and Credit Societies Ltd. (NAFCUB) then presented their views on Chapter XVII the Bill which provides special provisions for eligible cooperative banks viz. continuation of deposit insurance and circumstances in which winding up of eligible cooperative banks can be sought under this Act. The Members raised various queries/sought clarifications which were responded to by the representatives of the NAFCUB.

8. In respect of certain queries to which replies were not readily available, the representatives were asked to submit written replies/clarifications at the end of the deliberation by the respective witnesses.

*The witnesses then withdrew.*

9. A verbatim record of the proceedings has been kept.

*The Committee then adjourned.*

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**MINUTES OF THE SEVENTH SITTING OF  
THE JOINT COMMITTEE ON FINANCIAL RESOLUTION AND DEPOSIT  
INSURANCE BILL, 2017**

The Committee sat on Monday, the 22<sup>nd</sup> January, 2018 from 1430 hrs. to 1700 hrs. in Committee Room 'B', Ground Floor, Parliament House Annexe, New Delhi.

**PRESENT**

**Shri Bhupender Yadav - Chairperson**

**MEMBERS**

***Lok Sabha***

2. Shri Nishikant Dubey
3. Shri Gaurav Gogoi
4. Dr. Sanjay Jaiswal
5. Shri P. Karunakaran
6. Shri Bhartruhari Mahtab
7. Shri S.P Muddahanumegowda
8. Shri Jagdambika Pal
9. Shri Konda Vishweshwar Reddy
10. Prof. Saugata Roy
11. Shri Gopal Chinayya Shetty

***Rajya Sabha***

12. Shri Naresh Gujral
13. Shri Ravi Prakash Verma

**Special Invitee**

Shri Sukhendu Sekhar Ray

**Secretariat**

1. Smt. Sudesh Luthra - Additional Secretary
2. Shri J.V.G. Reddy - Director
3. Shri S. Lakshmikanta Singh - Deputy Secretary

## REPRESENTATIVES OF THE MINISTRIES / DEPARTMENTS WHO ASSISTED THE COMMITTEE

### **MINISTRY OF FINANCE (DEPARTMENT OF ECONOMIC AFFAIRS)**

1. Dr. Shashank Saksena - Advisor (FSRL)

### **MINISTRY OF LAW & JUSTICE (LEGISLATIVE DEPARTMENT)**

1. Dr. G. Narayana Raju - Secretary
2. Dr. N.R. Battu - Joint Secretary and Legislative Counsel
3. Shri Diwakar Singh - Additional Legislative Counsel

### **(DEPARTMENT OF LEGAL AFFAIRS)**

1. Shri Suresh Chandra - Secretary
2. Dr. Rajiv Mani - Joint Secretary & Legal Adviser
3. Dr. R.J.R. Kashibhatla - Deputy Legal Adviser

2. At the outset, the Chairperson welcomed the Members to the sitting of the Joint Committee convened to take oral evidence of (i) Shri M.R. Umarji, Retd. Executive Director, RBI and the representatives of (ii) Insolvency and Bankruptcy Board of India ; (iii) Society of Insolvency Practitioners of India (SIPI) ; (iv) Juris Corp Advocates and Solicitors ; (v) National Alliance of People's Movements ; (vi) Ahmednagar District Urban Cooperative Banks Association Limited ; and (vii) All India Reserve Bank Employees Association on the provisions of the Financial Resolution and Deposit Insurance Bill, 2017.

3. Thereafter, (i) Shri M.R. Umarji, Retd. Executive Director, RBI and (ii) following representatives of Insolvency and Bankruptcy Board of India deposed before the Committee :-

#### **(ii) Insolvency and Bankruptcy Board of India (IBBI)**

1. Dr. M.S. Sahoo - Chairperson, IBBI
2. Mrs. Suman Saxena - Whole time Member of the Board
3. Dr. Mukulita Vijayawargiya - Whole time Member of the Board

4. The Chairperson welcomed the representatives and drew their attention to the provisions contained in Directions 55 and 58 of the Directions by the Speaker regarding the confidentiality of the evidence tendered before the Committee. Shri M.R. Umarji then presented his views on various provisions of the Bill which inter alia include clause 2(27) related to definition of specified service providers, clause 2(11) definition of deposit and clause 14 to 18 which provide for power of investigations, search and seizure, to enter premises and inspect

as well as conditions on exercise of such powers to the officers of Resolution Corporation. He also presented his views on clause 25 to 28 (Chapter III) related to designation of systemically important financial intuitions, consequences of designations, de-designation of systemically important financial institution and delegation of powers by Central Government and clause 42 to 46 in Chapter VIII which deal with classification of specified service providers in the category of material, imminent, critical risk to viability and show cause notice etc.

5. Then, the representatives of IBBI presented their views on the second schedule of the Bill dealing with specified service providers and emphasized on the need for clear cut division of jurisdiction between Resolution Corporation, IBC and Insolvency Code in this regard. The other issues raised were related to section 138 of the Bill about information utilities and clause 109(1) which provides for power to adjudicate penalty in the Bill.

6. During the course of evidence, the Members raised certain queries/sought clarifications which were responded to by Shri M.R. Umarji and representatives of Insolvency and Bankruptcy Board of India. They were asked to submit written replies/clarifications in respect of queries to which replies were not readily available.

*The witness then withdrew.*

7. Thereafter, the representatives of the (iii) Society of Insolvency Practitioners of India (SIPI) ; (iv) Juris Corp Advocates and Solicitors ; (v) National Alliance of People's Movements ; (vi) Ahmednagar District Urban Cooperative Banks Association Limited ; and (vii) All India Reserve Bank Employees Association were called in. The following representatives were present during the oral evidence:

**(iii) Society of Insolvency Practitioners of India (SIPI)**

- |                     |   |                                 |
|---------------------|---|---------------------------------|
| 1. Mr. Sumant Batra | - | Chief Mentor, Insol India, SIPI |
| 2. Mr. Anuj Jain    | - | KPMG                            |
| 3. Mr. Anurag Das   | - | Member, Insol India             |

**(iv) Juris Corp Advocates and Solicitors**

1. Mr. Jayesh H
2. Mr. Shan Bottlewalla
3. Ms. Nikita Chawla

**(v) National Alliance of People's Movements**

1. Shri Leo Saldanha
2. Shri Gautam Mody
3. Shri Madhuresh Kumar
4. Shri Joe Athialy
5. Ms. Madhavi Bansal

**(vi) Ahmednagar District Urban Cooperative Banks Association Limited**

- |                         |   |          |
|-------------------------|---|----------|
| 1. Shri Ravindra Lohade | - | Chairman |
| 2. Shri Vasantryao Gund | - | Director |
| 3. Shri Girish Ghaisas  | - | Director |

**(vii) All India Reserve Bank Employees Association**

- |                          |   |  |
|--------------------------|---|--|
| 1. Shri Samir Ghosh      | - | General Secretary, AIRBEA and<br>Convener United Forum of Reserve<br>Bank Officers and Employees |
| 2. Shri Ajay Kumar Sinha | - | General Secretary, Reserve Bank of<br>India Officers Association (RBIOA)                         |
| 3. Shri Arun Samaddar    | - | President, All India Reserve Bank<br>Workers' Federation (AIRBWF)                                |

8. Welcoming the representatives, the Chairperson drew their attention to the Directions 55 and 58 of the Directions by the Speaker regarding the confidentiality of the evidence tendered before the Committee. Then, the representatives of (iii) Society of Insolvency Practitioners of India (SIPI) ; (iv) Juris Corp Advocates and Solicitors ; (v) National Alliance of People's Movements ; (vi) Ahmednagar District Urban Cooperative Banks Association Limited ; and (vii) All India Reserve Bank Employees Association deposed before the Committee one by one.

9. The representatives of SIPI and Juris Corp presented their views on clause 20(1) pertaining to consultations between different regulators and Resolution Corporation and on bail-in regime provided in clause 52(1) of the Bill respectively. Thereafter, the representatives of National Alliance of People's Movements and All India Reserve Bank Employees Association submitted their concerns on powers of Resolution Corporation mentioned in clause 58 of the Bill. Lastly, representatives of Ahmednagar District Urban Cooperative Banks Association Limited presented their views on various aspects in this context. They particularly presented views on the application of bail-in clause in relation to cooperative banks.

10. The Members raised various queries/sought clarifications which were responded to by the representatives of the each organisations one by one. In respect of certain queries to which replies were not readily available, the representatives were asked to submit written replies/clarifications.

*The witnesses then withdrew.*

11. A verbatim record of the proceedings has been kept.

*The Committee then adjourned.*

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**MINUTES OF THE EIGHTH SITTING OF  
THE JOINT COMMITTEE ON FINANCIAL RESOLUTION AND DEPOSIT  
INSURANCE BILL, 2017**

The Committee sat on Monday, the 12<sup>th</sup> February, 2018 from 1430 hrs. to 1600 hrs. in Committee Room 'B', Ground Floor, Parliament House Annexe, New Delhi.

**PRESENT**

**Shri Bhupender Yadav - Chairperson**

**MEMBERS**

***Lok Sabha***

2. Shri Anil Gulabrao Shirole
3. Shri Subhash Chandra Baheria
4. Dr. Kirit Somaiya
5. Shri Nishikant Dubey
6. Shri Gaurav Gogoi
7. Shri Bhartruhari Mahtab
8. Shri Jagdambika Pal
9. Shri Konda Vishweshwar Reddy
10. Prof. Saugata Roy
11. Shri Gopal Chinayya Shetty
12. Shri Abhishek Singh

***Rajya Sabha***

13. Shri Anand Sharma
14. Shri Naresh Gujral
15. Shri Bhubaneshwar Kalita

**Special Invitee**

Shri Sukhendu Sekhar Ray

**Secretariat**

1. Shri J.V.G. Reddy - Director
2. Shri Sundar Prasad Das - Addl. Director

## **REPRESENTATIVES OF THE MINISTRIES / DEPARTMENTS WHO ASSISTED THE COMMITTEE**

### **MINISTRY OF FINANCE (DEPARTMENT OF ECONOMIC AFFAIRS)**

- |    |                     |   |                           |
|----|---------------------|---|---------------------------|
| 1. | Dr. M.M. Kutty      | - | Additional Secretary (EA) |
| 2. | Dr. Shashank Saxena | - | Advisor (FSRL)            |

### **MINISTRY OF LAW & JUSTICE (LEGISLATIVE DEPARTMENT)**

- |    |                      |   |   |
|----|----------------------|---|---|
| 1. | Dr. G. Narayana Raju | - | Secretary                               |
| 2. | Dr. N. R. Battu      | - | Joint Secretary and Legislative Counsel |
| 3. | Shri Diwakar Singh   | - | Additional Legislative Counsel          |

### **(DEPARTMENT OF LEGAL AFFAIRS)**

- |    |                        |   |                                 |
|----|------------------------|---|---------------------------------|
| 1. | Shri Suresh Chandra    | - | Secretary                       |
| 2. | Dr. Rajiv Mani         | - | Joint Secretary & Legal Adviser |
| 3. | Dr. R.J.R. Kashibhatla | - | Deputy Legal Adviser            |

2. At the outset, the Chairperson welcomed the Members to the sitting of the Joint Committee convened to take oral evidence of Reserve Bank of India on the provisions of the Financial Resolution and Deposit Insurance Bill, 2017 and informed the Committee that Departments of Economic Affairs, Legal Affairs and Legislative Department would be assisting the Committee during the evidence.

3. Thereafter, following representatives of Reserve Bank of India deposed before the Committee:-

- |    |                    |   |                    |
|----|--------------------|---|--------------------|
| 1. | Dr. Urjit R. Patel | - | Governor           |
| 2. | Shri B.P. Kanungo  | - | Deputy Governor    |
| 3. | Shri K.K. Vohra    | - | Executive Director |

4. The Chairperson welcomed the representatives and drew their attention to the provisions contained in Directions 55 and 58 of the Directions by the Speaker regarding the confidentiality of the evidence tendered before the Committee. The Governor, Reserve Bank of India then presented his views on various provisions of the Bill. While welcoming the establishment of a dedicated Resolution mechanism for resolution of financial entities as provided in the Bill, the RBI Governor pointed out the need for proper harmonization of roles and responsibilities of the regulators and Resolution Corporation so as to obviate the scope for conflicts of jurisdictions. The RBI, Governor also suggested the need for suitable changes in the Bill to provide that the appropriate Regulator carry out the classification of various risks to



viability in consultation with the Resolution Corporation instead of empowering the Resolution Corporation to do this task in consultation with appropriate Regulator.

5. The RBI Governor pointed out some concerns with regard to criteria for risk classification, determination of risk to viability, designation of setting up of financial service providers as Systemically Financial Important Institutions, information sharing between regulators and Resolution Corporation, powers of the Resolution Corporation regarding search and seizure, etc. The other issues which were discussed in detail and members raised queries inter-alia included deposit insurance, and issue of raising the limits of deposit insurance and cost thereof, bail-in provisions of the Clause 52(1) of the FRDI Bill, and existing provisions of RBI to deal with situations like fraud laundering, business failure and mismanagement in the banking system. Some of the queries were responded to by the representatives of the Reserve Bank of India. They were asked to submit written replies/clarifications in respect of queries to which replies were not readily available and also to a separate questionnaire which would be sent to RBI in subsequent days to the sitting.

*The witness then withdrew.*

6. A verbatim record of the proceedings has been kept.

*The Committee then adjourned.*

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**MINUTES OF THE NINTH SITTING OF  
THE JOINT COMMITTEE ON THE FINANCIAL RESOLUTION AND DEPOSIT  
INSURANCE BILL, 2017**

The Committee sat on Wednesday, the 14<sup>th</sup> March, 2018 from 1500 hrs. to 1530 hrs. in Committee Room No.62, First Floor, Parliament House, New Delhi.

**PRESENT**

**Shri Bhupender Yadav - Chairperson**

**MEMBERS**

***Lok Sabha***

2. Shri Anil Gulabrao Shirole
3. Shri Subhash Chandra Baheria
4. Shri Nishikant Dubey
5. Dr. Sanjay Jaiswal
6. Shri Gajanan Chandrakant Kirtikar
7. Shri Bhartruhari Mahtab
8. Shri Jagdambika Pal
9. Prof. Saugata Roy
10. Shri Gopal Chinayya Shetty
11. Shri Shivkumar Chanabasappa Udasi
12. Dr. Ponnusamy Venugopal

***Rajya Sabha***

13. Shri Bhubaneshwar Kalita
14. Shri Praful Patel
15. Shri Ajay Sancheti
16. Shri Ravi Prakash Verma

**Secretariat**

- |    |                        |   |                      |
|----|------------------------|---|----------------------|
| 1. | Smt. Sudesh Luthra     | - | Additional Secretary |
| 2. | Shri J.V.G. Reddy      | - | Director             |
| 3. | Shri Sundar Prasad Das | - | Addl. Director       |

2. At the outset, the Chairperson welcomed the Members to the sitting of the Committee convened to consider the future programme of work of the Committee. The Chairperson, apprised the Committee that eight sittings of the Committee had been held so far and the Committee took evidence of the 6 Ministries/Departments and 20 stakeholders on the provisions of the Bill. Besides, the Committee undertook a study visit to Mumbai from 3 to 5

October, 2017 where interactions with 36 stakeholders were held which include the regulators like RBI, SEBI, IRDAI, Public and Private Sector Banks, Insurance Companies, Non-banking financial Companies etc on the provisions of the Bill. Besides, memoranda from the stakeholders and public at large as received in the Secretariat in response to the advertisement issued in electronic/print media through DAVP were circulated to the members of the Committee.

3. The Committee noted that as per the extension granted, the Committee are required to finalise and present their Report on the Bill by the last day of the Budget Session i.e. 6 April, 2018 as per the schedule of Sittings of the ongoing Budget Session. The Committee reviewed the work yet to be done and noted that they are yet to take evidence of some more stakeholders as well as the nodal Ministries and Departments on the provisions of the Bill which would be followed by inviting notices of amendments from Members of the Committee, clause-wise consideration of the Bill, consideration and adoption of the Report and then presenting to Parliament.

4. Keeping in view the work yet to be completed, the Committee decided to seek further extension of time upto the last day of the Monsoon Session 2018 for finalization and presentation of the Report of the Committee and also authorised the Chairperson to get the requisite motion moved in this regard in the House as required under the Rules and Procedure.

*The Committee then adjourned.*

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**MINUTES OF THE TENTH SITTING OF  
THE JOINT COMMITTEE ON THE FINANCIAL RESOLUTION AND DEPOSIT  
INSURANCE BILL, 2017**

The Committee sat on Monday, the 14<sup>th</sup> May, 2018 from 1100 hrs. to 1240 hrs. in Committee Room 'C', Ground Floor, Parliament House Annexe, New Delhi.

**PRESENT**

**Shri Bhupender Yadav - Chairperson**

**MEMBERS**

***Lok Sabha***

2. Dr. Kirit Somaiya
3. Shri Nishikant Dubey
4. Shri P. Karunakaran
5. Prof. Saugata Roy
6. Shri Gopal Chinayya Shetty
7. Shri Abhishek Singh

***Rajya Sabha***

8. Shri Naresh Gujral
9. Shri Bhubaneshwar Kalita
10. Shri Ravi Prakash Verma

**Secretariat**

1. Smt. Sudesh Luthra - Additional Secretary
2. Shri J.V.G. Reddy - Director

**REPRESENTATIVES OF THE MINISTRIES / DEPARTMENTS WHO ASSISTED THE COMMITTEE**

**MINISTRY OF FINANCE  
(DEPARTMENT OF ECONOMIC AFFAIRS)**

1. Dr. Shashank Saksena - Advisor (FSRL)

**MINISTRY OF LAW & JUSTICE  
(LEGISLATIVE DEPARTMENT)**

1. Dr. N.R. Battu - Joint Secretary and Legislative Counsel
2. Shri Diwakar Singh - Additional Legislative Counsel

**(DEPARTMENT OF LEGAL AFFAIRS)**

- |    |                       |   |                      |
|----|-----------------------|---|----------------------|
| 1. | Shri Ramayan Yadav    | - | Additional Secretary |
| 2. | Dr. R.J.R. Kasibhatla | - | Deputy Legal Adviser |

2. At the outset, the Chairperson welcomed the Members to the sitting of the Joint Committee convened to take oral evidence of the representatives of (i) the Small Industries Development Bank of India (SIDBI) and (ii) the Institute of Chartered Accountants of India (ICAI) on the provisions of the Financial Resolution and Deposit Insurance Bill, 2017.

3. The Chairperson welcomed the representative and drew his attention to the provisions contained in Directions 55 and 58 of the Directions by the Speaker regarding the confidentiality of the evidence tendered before the Committee. Shri Ajay Kumar Kapur, Deputy Managing Director, Small Industries Development Bank of India then presented his views on various provisions of the Bill which *inter alia* include clause 36, 52, 95, 96, 97 and 133 relating to lack of review or appeal mechanism for redressal of grievances of the affected parties in the context of classification of risk to viability of a financial firm, bail-in provisions, limited provisions with regard to foreign resolution action, barring of jurisdiction of Courts on the process of decisions of Resolution Corporation.

4. During the course of evidence, the Members raised certain queries/sought clarifications which were responded to by the representative of the Small Industries Development Bank of India. The representative was asked to submit written replies/clarifications in respect of queries to which replies were not readily available.

*The witness then withdrew.*

5. Thereafter, the representatives of the Institute of Chartered Accountants of India (ICAI) were called in. The following representatives were present during the oral evidence:

**(ii) INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA (ICAI)**

- |    |                            |   |                |
|----|----------------------------|---|----------------|
| 1. | Shri M. Devaraja Reddy     | - | Past President |
| 2. | Shri Ranjeet Kumar Agarwal | - | Chairman, PDC  |

6. Welcoming the representatives, the Chairperson drew their attention to the Directions 55 and 58 of the Directions by the Speaker regarding the confidentiality of the evidence tendered before the Committee. Then, the representatives of the Institute of Chartered Accountants of India deposed before the Committee.

7. The representatives then presented their views on clause 52 related to bail-in provision, clause 52(7)(b) about 'client assets', clause 42 and 36(5) regarding the need for criteria for classification of risk to viability of a financial firm, clause 50 regarding bridge service provider, clause 65(1) which provides bar on jurisdiction and transfer of proceedings to any Court other than NCLT, and clause 77 which provides for public examination of directors and auditors of a specified service provider being liquidated by the Corporation.

8. The Members raised various queries/sought clarifications which were responded to by the representatives of the each organisations one by one. In respect of certain queries to which replies were not readily available, the representatives were asked to submit written replies/clarifications.

*The witnesses then withdrew.*

9. A verbatim record of the proceedings has been kept.

*The Committee then adjourned.*

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**MINUTES OF THE ELEVENTH SITTING OF  
THE JOINT COMMITTEE ON THE FINANCIAL RESOLUTION AND DEPOSIT  
INSURANCE BILL, 2017**

The Committee sat on Monday, the 4<sup>th</sup> June, 2018 from 1500 hrs. to 1620 hrs. in Committee Room 'B', Ground Floor, Parliament House Annexe, New Delhi.

**PRESENT**

**Shri Bhupender Yadav - Chairperson**

**MEMBERS**

***Lok Sabha***

2. Shri Subhash Chandra Baheria
3. Dr. Kirit Somaiya
4. Shri Nishikant Dubey
5. Shri Sudheer Gupta
6. Dr. Sanjay Jaiswal
7. Shri Bhartruhari Mahtab
8. Shri S.P. Muddahanumegowda
9. Shri Jagdambika Pal
10. Shri Konda Vishweshwar Reddy
11. Prof. Saugata Roy
12. Shri Gopal Chinayya Shetty
13. Shri Shivkumar Chanabasappa Udasi

***Rajya Sabha***

14. Shri Anand Sharma
15. Shri Naresh Gujral
16. Shri Mahesh Poddar
17. Shri Ravi Prakash Verma

**Secretariat**

1. Smt. Sudesh Luthra - Additional Secretary
2. Shri J.V.G. Reddy - Director
3. Shri Sundar Prasad Das - Addl. Director

## **REPRESENTATIVES OF THE MINISTRIES / DEPARTMENTS WHO ASSISTED THE COMMITTEE**

### **MINISTRY OF FINANCE (DEPARTMENT OF ECONOMIC AFFAIRS)**

1. Dr. C.S. Mohapatra - Advisor (FS&CS)
2. Shri S. Selvakumar - Joint Secretary

### **MINISTRY OF LAW & JUSTICE (LEGISLATIVE DEPARTMENT)**

1. Dr. N.R. Battu - Joint Secretary and Legislative Counsel
2. Shri Diwakar Singh - Additional Legislative Counsel

### **(DEPARTMENT OF LEGAL AFFAIRS)**

1. Shri Suresh Chandra - Law Secretary
2. Dr. Rajiv Mani - Joint Secretary & Legal Adviser
3. Dr. R.J.R. Kasibhatla - Deputy Legal Adviser

2. At the outset, the Chairperson welcomed the Members to the sitting of the Joint Committee convened to take oral evidence of the representatives of (i) the Institute of Cost Accountants of India (ICAI) and (ii) the Institute of Company Secretaries of India (ICSI) on the provisions of the Financial Resolution and Deposit Insurance Bill, 2017.

3. Thereafter, the following representatives of the Institute of Cost Accountants of India (ICAI) were called in to depose before the Committee:-

### **REPRESENTATIVES OF THE INSTITUTE OF COST ACCOUNTANTS OF INDIA (ICAI)**

1. CMA Sanjay Gupta - President of the Institute
2. Dr. Rishab Chand Lodha - Chairman, ICMAI Registered Valuers Organisation
3. Shri Arvind Kumar Jain - Independent Director, ICMAI Registered Valuers Organisation

4. The Chairperson welcomed the representatives and drew their attention to direction 55 and 58 of the 'Directions by the Speaker, Lok Sabha' regarding the confidentiality of the evidence tendered before the Committee. The representatives then presented their views on various provisions of the Bill which *inter alia* include clause 4 (2) relating to management of the proposed Resolution Corporation, clause 25(4) concerning legal right of a person designated as a Systemically Important Financial Institution, clause 29(1), 29(5) and 29(6) regarding liability of proposed Corporation to insured depositors of insured service providers, clause 36 pertaining to classification of specified service providers into categories of risk to viability, clause 52 relating to bail-in provisions and clause 63 (1) and (2) regarding order of liquidation. The representatives also presented their views on the interest of the employees of distressed financial firms in case of liquidation, over taxing of the institutions, giving priority to senior citizens, women, children and students in case of liquidation, linking of charging of fee and monitoring mechanism with risk rating etc.



5. The Members, thereafter, raised certain queries/sought clarifications which were responded to by the representative of the Institute of Cost Accountants of India (ICAI). The representatives were asked to submit written replies/clarifications in respect of queries to which replies were not readily available with them.

*The witnesses then withdrew.*

6. Thereafter, the representatives of the Institute of Company Secretaries of India (ICSI) were called in to tender evidence:

**(ii) REPRESENTATIVES OF THE INSTITUTE OF COMPANY SECRETARIES OF INDIA (ICSI)**

- |                             |  |
|-----------------------------|--|
| 1. CS Makarand Lele         | - President, ICSI                                  |
| 2. CS Gopal Krishna Agarwal | - Government Nominee, Central Council Member, ICSI |
| 3. CA Ahalada Rao V         | - Vice-President, ICSI                             |
| 4. CS Dinesh C. Arora       | - Secretary, ICSI                                  |

7. Welcoming the representatives, the Chairperson drew their attention to the direction 55 and 58 of the 'Directions by the Speaker, Lok Sabha' regarding the confidentiality of the evidence tendered before the Committee. Then, the representatives of the Institute of Company Secretaries of India deposed before the Committee.

8. The representatives, thereafter, presented their views on various provisions of the Bill which *inter alia* include clause 11 pertaining to power to appoint officers and employees, clause 66 which provides for powers of corporation as a liquidator, clause 85 relating to relevant period for avoidable transactions, clause 2(11) definition of deposits, clause 15(1)(d) concerning powers pending investigation, clause 41 relating to change, revision etc. of resolution plan and restoration plan, clause 52 relating to 'Bail-in' provisions, clause 63 regarding order of liquidation and clause 136 concerning exemption from tax on income, profits and gains. The representatives also expressed their concern on multiplicity of regulators dealing with the same organisation/institutions.

9. The Members raised various queries/sought clarifications which were responded to by the representatives of the Institute of Company Secretaries of India (ICSI). In respect of certain queries to which replies were not readily available, the representatives were asked to submit written replies/clarifications.

*The witnesses then withdrew.*

10. A verbatim record of the proceedings has been kept.

*The Committee then adjourned.*

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**MINUTES OF THE TWELFTH SITTING OF  
THE JOINT COMMITTEE ON THE FINANCIAL RESOLUTION AND DEPOSIT  
INSURANCE BILL, 2017**

The Committee sat on Tuesday, the 19<sup>th</sup> June, 2018 from 1500 hrs. to 1600 hrs. in Committee Room No. 3, First Floor, Parliament House Annexe Extension Building, New Delhi.

**PRESENT**

**Dr. Sanjay Jaiswal - In the Chair**

**MEMBERS**

***Lok Sabha***

2. Dr. Kirit Somaiya
3. Shri Bhartruhari Mahtab
4. Shri S.P. Muddahanumegowda
5. Shri Jagdambika Pal
6. Prof. Saugata Roy
7. Shri Gopal Chinayya Shetty
8. Shri Shivkumar Chanabasappa Udasi
9. Dr. Ponnusamy Venugopal

***Rajya Sabha***

10. Shri Naresh Gujral
11. Shri Bhubaneshwar Kalita
12. Shri Satish Chandra Misra
13. Shri Mahesh Poddar
14. Shri Ravi Prakash Verma

**Secretariat**

1. Smt. Sudesh Luthra - Additional Secretary
2. Shri J.V.G. Reddy - Director
3. Shri Sundar Prasad Das - Addl. Director

**REPRESENTATIVES OF THE MINISTRIES / DEPARTMENTS WHO ASSISTED THE COMMITTEE**

**MINISTRY OF FINANCE  
(DEPARTMENT OF ECONOMIC AFFAIRS)**

1. Dr. Shashank Saksena - Adviser (FSRL)

**MINISTRY OF LAW & JUSTICE  
(LEGISLATIVE DEPARTMENT)**

- |    |                      |   |   |
|----|----------------------|---|---|
| 1. | Dr. G. Narayana Raju | - | Secretary                               |
| 2. | Dr. N.R. Battu       | - | Joint Secretary and Legislative Counsel |
| 3. | Shri Diwakar Singh   | - | Additional Legislative Counsel          |

**(DEPARTMENT OF LEGAL AFFAIRS)**

- |    |                       |   |                                 |
|----|-----------------------|---|---------------------------------|
| 1. | Shri Suresh Chandra   | - | Law Secretary                   |
| 2. | Dr. Rajiv Mani        | - | Joint Secretary & Legal Adviser |
| 3. | Dr. R.J.R. Kasibhatla | - | Deputy Legal Adviser            |

2. At the outset, the Committee chose under Rule 258(3) Dr. Sanjay Jaiswal to act as Chairperson for the sitting in the absence of the Chairperson of the Committee. The acting Chairperson then welcomed the Members to the sitting of the Joint Committee convened to take oral evidence of the representatives of the Pension Fund Regulatory and Development Authority on the provisions of 'The Financial Resolution and Deposit Insurance Bill, 2017'.

3. Thereafter, the following representatives of the Pension Fund Regulatory and Development Authority (PFRDA) were called in to depose before the Committee:-

**REPRESENTATIVES OF THE PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY  
(PFRDA)**

- |    |                           |   |                    |
|----|---------------------------|---|--------------------|
| 1. | Shri Hemant G. Contractor | - | Chairman           |
| 2. | Shri A.G. Das             | - | Executive Director |
| 3. | Shri Rahul Ravindaran     | - | General Manager    |

4. The acting Chairperson welcomed the representatives and drew their attention to the provisions contained in Direction 55 and 58 of the 'Directions by the Speaker, Lok Sabha' regarding the confidentiality of the evidence tendered before the Committee. The representatives explained that National Pension System Trust as defined under the PFRDA Act means the Board of Trustees who hold the assets of the subscribers for their benefit and as such it is the legal owner of the funds of the subscribers and all investments are undertaken in its name by pension funds. On the issue of change of stand of PFRDA with regard to its coverage under IBC or FRDI, the Chairman, PFRDA stated that as per the present position, PFRDA has suggested to be covered under IBC. It was further clarified that under PFRDA Act, they are required to offer a guaranteed pension scheme, which they are in the process of devising. If that guaranteed pension scheme comes about, then there would be an obligation on the part of the Pension Fund Managers towards their subscribers in which case it would be more properly accommodated under FRDI mechanism.

5. The Members, thereafter, raised certain queries/sought clarifications which were responded to by the representatives of the Pension Fund Regulatory and Development

Authority (PFRDA). The representatives were asked to submit written replies/clarifications in respect of queries to which replies were not readily available with them.

*The witnesses then withdrew.*

6. A verbatim record of the proceedings has been kept.

*The Committee then adjourned.*

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**MINUTES OF THE THIRTEENTH SITTING OF  
THE JOINT COMMITTEE ON THE FINANCIAL RESOLUTION AND DEPOSIT  
INSURANCE BILL, 2017**

The Committee sat on 30 July, 2018 from 1500 hrs. to 1530 hrs. in Committee Room 'D', Ground Floor, Parliament House Annexe, New Delhi.

**PRESENT**

**Shri Bhupender Yadav - Chairperson**

**MEMBERS**

***Lok Sabha***

2. Shri Anil Gulabrao, Shirole
3. Shri Subhash Chandra Baheria
4. Dr. Kirit Somaiya
5. Shri Nishikant Dubey
6. Dr. Sanjay Jaiswal
7. Shri Konda Vishweshwar Reddy
8. Shri Gopal Chinayya Shetty
9. Shri Shivkumar Chanabasappa Udasi
10. Dr. Ponnusamy Venugopal

***Rajya Sabha***

11. Shri Naresh Gujral
12. Shri Bhubaneshwar Kalita
13. Shri Mahesh Poddar
14. Shri Sukhendu Sekhar Ray

**Secretariat**

1. Smt. Sudesh Luthra - Additional Secretary
2. Shri J.V.G. Reddy - Director
3. Shri Sundar Prasad Das - Addl. Director

**REPRESENTATIVES OF THE MINISTRIES / DEPARTMENTS WHO ASSISTED THE COMMITTEE**

**MINISTRY OF FINANCE  
(DEPARTMENT OF ECONOMIC AFFAIRS)**

1. Shri Subhash Chandra Garg - Secretary (EA)
2. Dr. Shashank Saksena - Adviser (FSRL)

**MINISTRY OF LAW & JUSTICE  
(LEGISLATIVE DEPARTMENT)**

1. Dr. N.R. Battu - Joint Secretary and Legislative Counsel
2. Shri Diwakar Singh - Additional Legislative Counsel

**(DEPARTMENT OF LEGAL AFFAIRS)**

1. Shri Suresh Chandra - Law Secretary
2. Dr. Rajiv Mani - Joint Secretary & Legal Adviser
3. Dr. R.J.R. Kasibhatla - Deputy Legal Adviser

2. At the outset, the Chairperson welcomed the Members and representatives of the Department of Economic Affairs, Legislative Department and Department of Legal Affairs to the sitting of the Joint Committee convened to consider notice of the motion for withdrawal of 'The Financial Resolution and Deposit Insurance Bill, 2017' alongwith the statement containing reasons therefor as given by the Finance Minister which stood referred to the Joint Committee under the first proviso to Rule 110 of the Rules of Procedure and Conduct of Business in Lok Sabha and also to consider and adopt the draft report in this regard.

3. The Committee considered the notice of the motion for withdrawal of the Bill together with the accompanying statement containing reasons therefor. The Committee after deliberations agreed with the proposal of the Government to withdraw the Bill and decided to recommend that the leave to withdraw the Bill be granted.

4. The Committee then considered and adopted the draft report.

5. Subsequent to adoption of the draft report, the Committee took the following issues :-

- (i) The record of evidence tendered before the Committee may be laid on the Table of both the Houses of Parliament.
- (ii) Two sets of memoranda containing comments and suggestions of stakeholders on the provisions of the Bill, as circulated to the members of the Committee may be placed in Parliament Library, after the report has been presented, for reference of the Members of Parliament.

(iii) Authorised the Chairperson to finalise and present/lay the report to Lok Sabha.

6. The Chairperson drew the attention of members of the Committee to Directions 85 to 87 and stated that members desirous of submitting dissent note may do so by 1200 hrs. on 31 July, 2018.

7. The Chairperson in his concluding remarks thanked all the members of the Joint Committee for their unstinted support and cooperation which made the Committee to examine and finalise the report on the Bill. The Chairperson then thanked various stakeholders for submitting their views before the Committee. The Chairperson also thanked the Secretaries, Department of Economic Affairs, Legislative department and Department of Legal Affairs and their team of officers for furnishing necessary information/documents and rendering valuable assistance to the Committee. The Chairperson, thereafter placed on record the appreciation for the relentless assistance rendered to the Committee by the officers and staff of the Lok Sabha Secretariat.

*The Committee then adjourned.*

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