

**GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF FINANCIAL SERVICES**

**LOK SABHA**

**UNSTARRED QUESTION NO. 788  
TO BE ANSWERED ON FRIDAY, DECEMBER 14, 2018/AGRAHAYANA 23, 1940 (SAKA)  
DEPOSIT INSURANCE COVER**

**788. SHRIMATI DARSHANA VIKRAM JARDOSH:**

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has received the final proposal from the Deposit Insurance and Credit Guarantee Corporation (DICGC) on the risk-based deposit insurance premium structure;
- (b) if so, the details of date of receipt of the proposal and the action taken by the Government thereon;
- (c) whether the Government desires to enhance the deposit insurance ceiling limit from the existing Rs. one lakh limit to benefit the depositors and if so, the details thereof; and
- (d) whether the Government desires to attract private insurance players in the field of deposit insurance sector and if not, the reasons therefor?

**ANSWER**

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE  
(SHRI SHIV PRATAP SHUKLA)**

**(a) and (b):** The Government has not received any proposal from the Deposit Insurance and Credit Guarantee Corporation (DICGC) on the risk-based deposit insurance premium structure.

**(c) and (d):** DICGC has informed that as per Core Principle (CP) 8 of Effective Deposit Insurance prescribed by the International Association for Deposit Insurance (IADI), coverage should be limited, credible and cover the vast majority of depositors but leave a substantial amount of deposits exposed to market discipline. As on March **31, 2018**, **92%** of the deposit accounts in number and **29%** of the deposits in value are covered by DICGC. This is higher than the guidance of IADI which recommends coverage of **80%** in number of accounts and **20-30%** in value terms. There is no proposal under consideration of the Government to enhance the deposit insurance ceiling limit or to attract private insurance players in the field of deposit insurance.

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