

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:5171
ANSWERED ON:10.12.2010
DEPOSIT INSURANCE LIMIT
Jardosh Smt. Darshana Vikram

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government/ Reserve Bank of India has received requests to hike the insurance limit from rupees one lakh in the recent past;
- (b) if so, the details thereof; and
- (c) the steps taken/ being taken by the Government/ RBI in this direction?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a) to (c) :- The present Deposit Insurance Scheme insures deposit up to Rs. 1 lakh per depositor. As regards the suggestion to increase the deposit insurance cover, the Deposit Insurance and Credit Guarantee Corporation (DICGC) reviews the deposit insurance coverage limit from time to time. However, with the present limit of the deposit insurance in India, the number of fully protected accounts (12,670 lakh) as on March 31, 2010 constituted 89.0 percent of the total number of accounts (14,239 lakhs) as against the international benchmark of 80.0 per cent. Amount-wise also, insured deposits of Rs. 23,69,483 crore constituted 55.3% of assessable deposits at Rs. 42,82,966 against the international benchmark of 20 per cent. At the current level, insurance cover works out to 2.0 time of per capita GDP as on March 31, 2010 against the international benchmark of around 1 to 2 times per capita GDP.