

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:6943
ANSWERED ON:08.05.2015
INSURANCE SCHEME FOR COOPERATIVE BANK DEPOSITORS
Somaiya Dr. Kirit

Will the Minister of FINANCE be pleased to state:

- (a) the provisions for protection of small depositors in cooperative banks/ societies;
- (b) whether the Deposit Insurance and Credit Guarantee Corporation (DICGC) takes care of deposit upto Rs. 1 lakh;
- (c) if so, the details thereof along with the insurance, premium collected and compensation paid by DICGC during the last three years;
- (d) whether the Government/RBI is considering to increase the insurance guarantee amount from Rs. 1 lakh; and
- (e) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRIJAYANTSINHA)

(a): All eligible cooperative banks as defined in the Section 2 (gg) of the Deposit Insurance and Credit Guarantee Corporation Act, 1961 (DICGC Act) are covered under the Deposit Insurance Scheme. At present, all cooperative banks in all states and union territories (UTs) are covered under the Scheme. UTs of Lakshadweep and Dadra & Nagar Haveli do not have any Cooperative Bank. Cooperative Societies, not being banks, are not covered under deposit insurance.

(b): Under Section 16 (1) of the DICGC Act, the current Insurance cover available per depositor per bank in the same right and capacity is Rs. 1 lakh.

(c): The details of insurance premium collected and payments by the Deposit Insurance and Credit Guarantee Corporation (DICGC) towards claim settlement, in respect of Co-operative banks, during the last three years are as under:

Receipt of Premium and Settlement of Claims - Co-operative Banks

Year	(Amount in Rs. Million)	
	Receipt of Premium	Claims Settled
2014-15 (April -December)	4,006	2,692
2013-14	5,103	1,031
2012-13	4,163	1,998
2011-12	3,807	2,873

(d) & (e): At present, there is no proposal to increase the existing deposit insurance cover of Rs.1 lakh.