



निक्षेप बीमा और प्रत्यय गारंटी निगम  
DEPOSIT INSURANCE AND CREDIT GUARANTEE CORPORATION

(भारतीय रिज़र्व बैंक की संपूर्ण स्वामित्ववाली सहायगी) Wholly owned subsidiary of the Reserve Bank of India)

[www.dicgc.org.in](http://www.dicgc.org.in)

DICGC.RPIC.No. 2676/02.01.003/2019-20

February 5, 2020

To the CEO's of insured banks,

**Increase in DICGC's deposit insurance premium - from 10 paise to 12 paise per ₹100 of Assessable Deposits per annum**

Madam / Dear Sir,

As you may be aware, the Government of India has approved the hike in deposit insurance cover to ₹5 lakh with effect from February 4, 2020 from the current level of ₹ One lakh which was effected in May 1993. In this regard, it is imperative to maintain the adequate level of deposit insurance fund by the Corporation, for settlement of claims in case of failure of banks. Keeping this objective in view the Corporation has as per Section 15 (i) of DICGC Act, with RBI's approval, decided to enhance the deposit insurance premium that has been 10 paise per ₹100 per annum of assessable deposits since April 2005.

2. The premium will be raised to 12 paise per ₹100 of assessable deposits per annum from the half year beginning April 1, 2020 onwards. You are therefore, requested to issue necessary instructions to the concerned department/officials of your bank. The circular may be placed before the Board of Directors of your bank and compliance thereof may be confirmed.

Yours sincerely,

  
Sonjoy Sathee 05/02/20  
Chief Financial Officer