



# SAFETY NET

Deposit Insurance and Credit Guarantee Corporation  
(Wholly owned subsidiary of the Reserve Bank of India)



Issue 5



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## Editor's Note



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Welcome to this edition of The Safety Net! This issue presents the major policy, technology, and risk management initiatives undertaken by DICGC as part of its efforts towards becoming a technology-enabled and depositor-friendly and future-ready deposit insurer.

A major milestone for the Corporation is the introduction of the Risk Based Premium (RBP) Framework with effect from April 1, 2026, which seeks to incentivise sound risk management practices among insured banks through differential premium rates linked to risk assessment and vintage benefits.

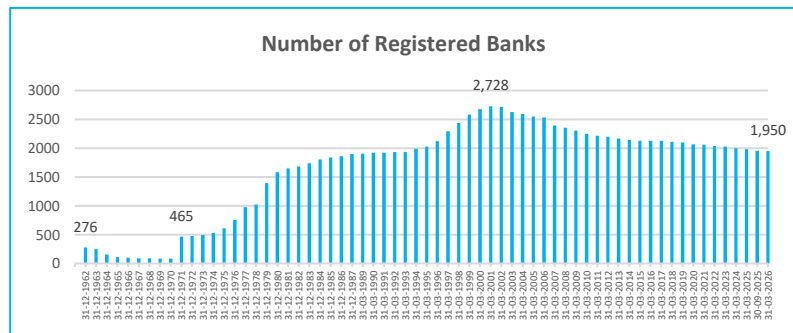
This issue also features the significant strides towards digital transformation, including the launch of "SAMYAK" – ReMC Portal for end-to-end digitisation of workflows with liquidators, online submission of DI Returns and premium payments and other initiatives such as automations in claim settlement modules and implementation of the Single Customer View (SCV) framework. These initiatives are expected to improve operational efficiency, data readiness, reduce claim settlement timelines, and enhance transparency and convenience for depositors and banks. This edition also highlights the strengthening of DICGC's internal risk monitoring architecture through a comprehensive Risk Dashboard.

Best wishes from Team DICGC.

## Domestic Developments

### Registered Banks

During the financial year 2025-26, 26 out of the existing 43 RRBs were deregistered from DICGC due to amalgamation and registered as 11 new RRBs. Furthermore, 17 UCBs were deregistered; of which 09 were due to cancellation of license and 08 due to merger with other UCBs. Consequently, the number of insured banks at the end of the year (March 31, 2026) stood at 1,950 (1,982 as on March 31, 2025) which comprised 124 commercial banks and 1,826 cooperative banks.

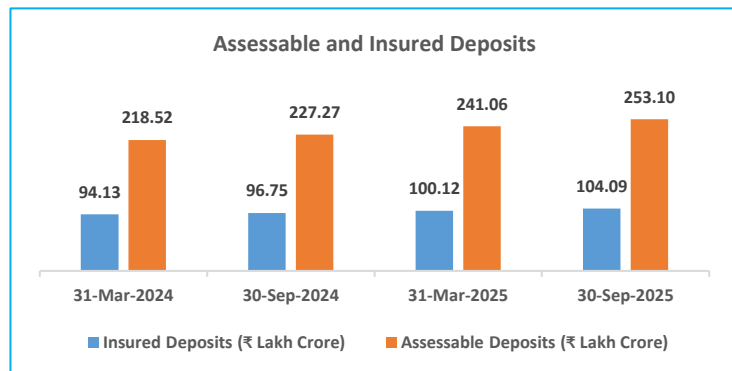


The commercial banks include 77 scheduled commercial banks (SCBs) (including 44 Foreign Banks), 28 RRBs, 11 Small Finance Banks (SFBs), 6 Payment Banks (PBs), and 2 Local Area Banks (LABs). The co-operative banks comprised of 1,440 UCBs, 34 State Cooperative Banks (StCBs) and 352 District Central Cooperative Banks (DCCBs).

### Deposit Insurance Coverage

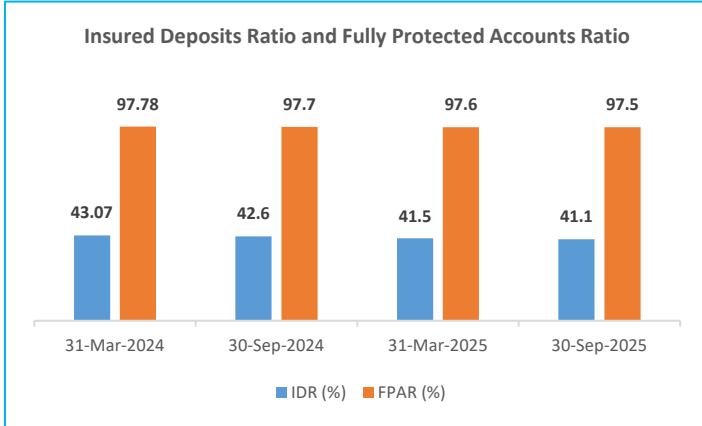
#### Assessable and Insured Deposits

The total assessable deposit of the banking, i.e., the deposit eligible for deposit insurance, grew by 11.4 per cent year-on-year to about ₹253 lakh crore as at end-September 2025, while insured deposits grew at a lower rate of 7.6 per cent to ₹104 lakh crore.

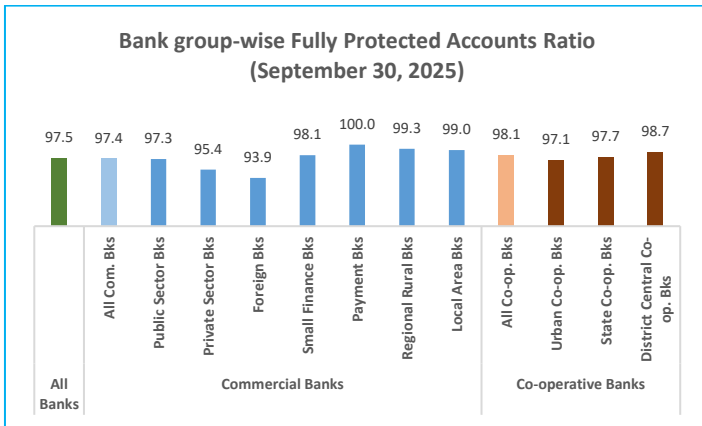


### Coverage ratios

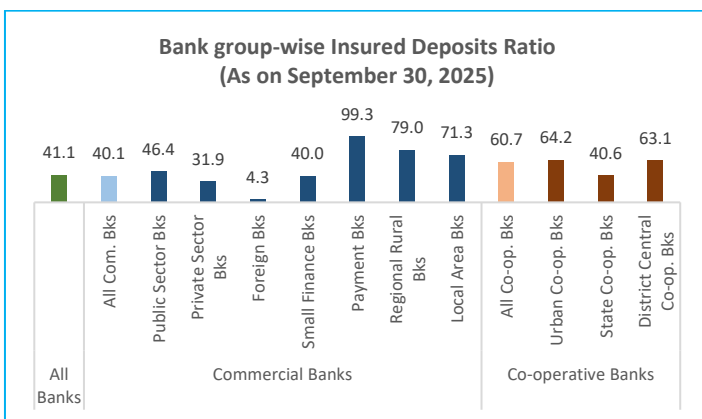
Under the current coverage limit of ₹5,00,000, the share of fully protected deposit accounts ratio was 97.5% as on September 30, 2025, remaining consistently around 98% since 2020. The insured deposit ratio (share of insured deposits in total assessable deposits) was at 41.1% as on September 30, 2025.



Cooperative banks had a higher fully protected accounts ratio at 98.1% while commercial banks reported 97.4%.



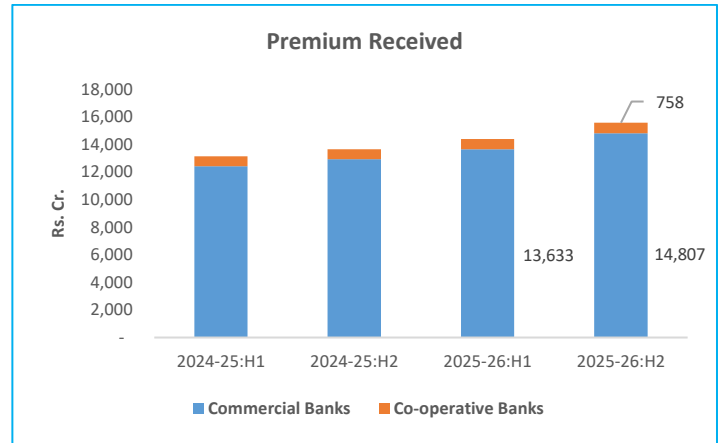
Similarly, Cooperative banks had a higher insured deposit ratio at 60.7% while commercial banks reported 40.1%.



### Funding

#### Premium

The DICGC levies a flat rate premium of 0.12% per annum on the total assessable deposits of banks. During 2025-26, premium grew by nearly 11.9 per cent to ₹29,947 Crore with commercial banks contributing nearly 95 per cent and cooperative banks accounting for the remaining 5 per cent.

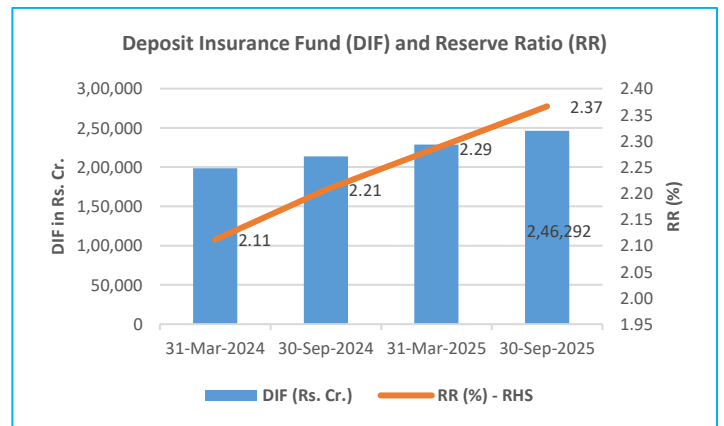


### DICGC (Payment of DI Premium and Submission of Returns by Insured Banks) Master Directions, 2025

The Corporation issued a Master Direction on October 01, 2025, under Section 34 (1) of the DICGC Act, 1961 to consolidate, update and thereby supersede all circulars/instructions/directives issued earlier to the insured banks with regards to their submission of DI Returns and Statutory Auditor Certificate, and payment of DI Premiums. All banks are required to submit their DI Returns along with DI Premium payment and arrange for a certification by bank's Statutory Auditor through the online portal called 'Samyak'.

### Deposit Insurance Fund (DIF)

The DIF is maintained by DICGC for the settlement of claims of depositors of banks taken into liquidation/amalgamation or put under all-inclusive Directions (AID). With the DIF at ₹2,46,292 crore and the Insured Deposits at ₹104.09 lakh crore as at end-September 2025, the Reserve Ratio (RR) increased to 2.37% (2.29% at end-March 2025).



As per latest available data, the DIF had increased by 14.4 per cent to reach ₹2,61,823 crore as on March 31, 2026.



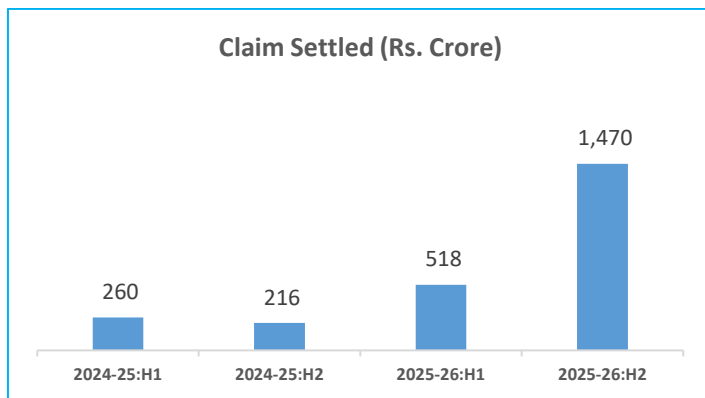
1. Which was the first organisation in the world to provide deposit insurance?
2. Which was the second country in the world to introduce deposit insurance?
3. In which year was deposit insurance introduced in India?
4. Which bank's depositors received the first claim settled under deposit insurance in India?
5. Which deposit insurer first introduced risk-based deposit insurance premium systems, and in which year?

### Introduction of Risk Based Premium Framework

The DICGC, with the approval of the RBI, introduced the Risk Based Premium Framework with effect from April 1, 2026. DICGC Act, 1961 [Section 15(1)] provides for differential premium rates for different categories of insured banks. The framework aims to incentivise sound risk management by banks and reduce premium to be paid by better rated banks with earlier flat rate of 12 paise per ₹100 assessable deposit as ceiling. There shall be two risk assessment models – Tier 1 Model and Tier 2 Model. The Tier 1 Model is applicable to Scheduled Commercial Banks other than Regional Rural Banks (RRBs), and is based on supervisory ratings, quantitative assessment (CAMELS parameters) and potential loss to Deposit Insurance Fund in case of failure of insured banks. Tier 2 Model, applicable to RRBs and cooperative banks, is based on quantitative assessment (CAMELS parameters) and potential loss to DIF in case of failure of insured banks. The RBP framework also provides benefits of vintage (signifying longer contribution to DICGC's Deposit Insurance Fund without any claim payouts from DICGC). The effective premium rate under RBP framework is a function of Card Rate (i.e. 12 paise per ₹100 of Assessable Deposits), risk model incentives and vintage incentives.

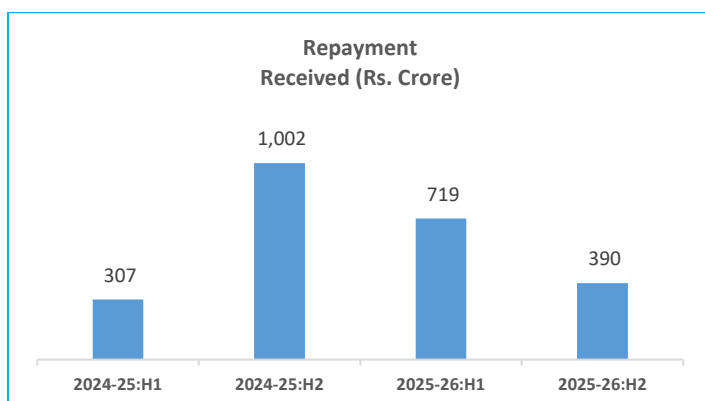
### Claims Settled/Reimbursement

During the year, the Corporation settled claims amounting to ₹1,988 crore to insured depositors of banks liquidated, merged and placed under All Inclusive Direction (AID). There were no claims from commercial banks.



### Repayment

DICGC received a repayment of ₹1,109 crore during 2025-26, as compared to ₹1,309 crore during 2024–25.



Of this amount, repayments received from co-operative banks under liquidation amounted to ₹898.50 crore, while those from AID /Merged banks stood at ₹210.56 crore.

### “SAMYAK” –ReMC Portal

The Corporation has launched “SAMYAK” –ReMC Portal – to digitize end-to-end workflows with liquidators, encompassing claim settlement, repayment of dues, and submission of statutory returns and statements. The portal also incorporates a dashboard for monitoring the liquidation process and recovery of dues.

### Adjudication Cell and Committee

The DICGC has formed an Adjudication Cell internally w.e.f. January 09, 2025 for dealing with matters relating to implementation of the Jan Vishwas Act. Further, in terms of Section 8(3) of the DICGC Act, an Adjudication Committee has been constituted to provide structured oversight and decision-making for adjudication related matters. The Committee will deal with matters related to delayed / non-submission of deposit insurance returns by insured banks as also instances of delay in repayment to the Corporation post settlement of depositors' claims.

### Establishment of a Business Continuity Plan (BCP)

In the light of the increasing reliance on technology-driven operations and the critical need for uninterrupted service delivery, a comprehensive Business Continuity Plan (BCP) framework for the Corporation has been framed. BCP provides assurance of continuity during unforeseen events such as system outages, natural disasters, cyber incidents, or other operational disruptions.

### Public Awareness: DICGC Communication Strategy and Activities

DICGC has started conducting financial awareness sessions both directly and in coordination with RBI. RBI and NABARD have been requested to include DICGC related awareness materials in their financial awareness sessions. The 3rd and 4th edition of DICGC Newsletters were also released during the period. As a new initiative, press releases are converted into short video format and uploaded on DICGC's social media channels for wider dissemination. Two awareness sessions were conducted for students in collaboration with RBI in Mumbai.

### Corporate Team Outing



DICGC organized a Corporate Team Outing on January 17th 2026, at Oleander Farms, Karjat, Maharashtra. This initiative aimed to strengthen interpersonal bonds and enhance organizational cohesion through shared experiences in a relaxed, collaborative environment, reflecting DICGC's commitment to employee welfare.

## Know your DICGC

### Communication Cell

The Communication Cell was established in DICGC with a view to strengthening depositor awareness and promoting wider understanding of deposit insurance. The Cell ensures timely, accessible, and engaging dissemination of information relating to deposit insurance.

In recent years, the Cell has expanded its outreach through a mix of creative, digital and interactive communication initiatives to make deposit insurance awareness more engaging and accessible. The launch of the “DICGC Safety Net” comic book used interactive storytelling to simplify deposit insurance concepts for diverse audiences, particularly non-urban and younger demographics. Awareness sessions conducted in schools and colleges further promoted grassroots financial literacy regarding DICGC, encouraging students to act as ‘young ambassadors’ within their families and communities.

The Corporation’s website has been revamped with several new features, including ‘DIA’, an AI-enabled chatbot designed to facilitate the quick resolution of basic depositor queries and “Daava Soochak”, a claim status tracker. Digital outreach was expanded through social media handles on Public App, Instagram, and YouTube, featuring bite-sized videos designed to amplify visibility and retention. Banks were advised to display the DICGC logo along with QR codes on their websites to improve the visibility and accessibility of deposit insurance information.

The Communication Cell has developed thematic short videos on various aspects of deposit insurance. DICGC-related material was also incorporated in the FAME booklet of RBI, through a dedicated chapter on deposit insurance. The publication of the bi-annual “Safety Net” newsletter, along with pamphlets, posters and infographics, contribute towards strengthening depositor awareness and confidence in the banking system.

### Digitisation Initiatives of DICGC

The Corporation has undertaken a comprehensive digital transformation of its core operational processes towards becoming a modern, technology-driven institution. Key developments include fully digital real time premium payment module with straight-through processing, Unique ID based (Aadhaar-based) e-signing, and integrated payment gateway to reduce manual intervention and improve operational efficiency. Claim settlement and repayment management modules have been developed, which provide for automated workflows, online authentication, dashboards, and payment gateway integration, enabling faster, seamless, transparent, and trackable settlements. The implementation of the Single Customer View (SCV) framework is another major milestone, helping standardize depositor data and significantly improving data readiness, to reduce claim payment timelines. These developments complemented by depositor-focused initiatives such as the revamped DICGC website, videos on DICGC website, online claim status tracker, social media engagement etc, will strengthen depositor convenience, accessibility, and engagement. Collectively, these initiatives shall position DICGC as a progressive, future-ready deposit insurer, aligned with global best practices and committed to delivering technology-enabled, efficient, and depositor-friendly services.

## International Development and Outreach

### IADI Policy Paper ‘E-Money and Deposit Insurance: Policy Options’: Highlights

This paper published by the International Association of Deposit Insurers (IADI) addresses the growing relevance of e-money and the residual risks faced by users when existing safeguarding mechanisms fail, in case of insolvency of the e-money issuer or the custodian bank holding the funds. It evaluates the feasibility and implications of extending deposit insurance coverage to e-money holders to mitigate these risks.

The study outlines various policy approaches for integrating e-money into deposit insurance schemes, ranging from treating the issuer’s float as a single account to directly insuring individual end-users or combining multiple methods. Each option presents a different balance between the level of consumer protection offered and the operational complexity imposed on the deposit insurer.

The paper concludes that there is no universal solution; the optimal approach depends on the specific characteristics of a jurisdiction’s e-money market and regulatory environment. However, it emphasizes that regardless of the chosen model, success hinges on a robust legal framework. Policymakers must ensure the deposit insurer has the statutory mandate and operational capacity to access accurate, real-time data on user balances and eligibility, alongside effective coordination between regulators and issuers.

### DICGC Delegation Holds Technical Discussions with FDIC

A high-level DICGC delegation, led by Chairman Swaminathan J., visited the Federal Deposit Insurance Corporation (FDIC) in Washington, D.C., on September 8–9, 2025. The team held a meeting with FDIC Acting Chairman Mr. Travis Hill and conducted detailed technical discussions with FDIC officials. Key discussions focused on the Risk-Based Premium (RBP) model, methodologies for assessing Deposit Insurance Fund adequacy, stress testing frameworks, and depositor communication strategies, reinforcing DICGC’s commitment to integrating global best practices into India’s deposit insurance system.

### DICGC Strengthens Ties with IDIC

On May 5, 2026, on the sidelines of the IADI-APRC Annual Meeting in Malaysia, DICGC held a productive bilateral meeting with the Indonesia Deposit Insurance Corporation (IDIC) to discuss a proposed Memorandum of Understanding (MoU) for technical collaboration. Led by Shri Anup Kumar, CGM, the DICGC delegation engaged with the IDIC delegation, headed by Mr. Daddy Zulverdi, Member of the Board of Commissioners for Deposit Insurance and Bank Resolution Program, focusing on exchanging best practices and exploring new avenues for cooperation.

### DICGC to Host IADI-APRC Annual Meeting 2027 in India

DICGC has been selected to host the Annual Meeting of the Asia Pacific Regional Committee (APRC) in India in 2027. The APRC is one of the regional committees of the IADI, comprising 20 member institutions from the Asia-Pacific region. This meeting will provide a vital platform for deposit insurers across the region to deliberate on emerging challenges, share best practices, and strengthen regional financial safety nets.



1. Federal Deposit Insurance Corporation (FDIC), USA	4. Bank of China, 1963
2. India	5. FDIC, USA in 1993
3. 1962	