

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1111
ANSWERED ON:24.10.2008
UNCLAIMED AMOUNT IN BANKS
Khanna Shri Avinash Rai;Nahata Smt. P. Jaya Prada

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government is aware that a large amount of unclaimed money is lying in commercial banks for the last several years;
- (b) if so,the details thereof;
- (c) whether the Reserve Bank of India has issued any instructions to banks to trace the legal heirs of unclaimed accounts;
- (d) if so,the details thereof along with the procedure being followed in this regard; and
- (e) the manner by which such amount is likely to be utilised in case of unclaimed money?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE(SHRI PAWAN KUMAR BANSAL)

(a) to (e): As reported by Reserve Bank of India (RBI) the details of total amount of unclaimed money lying in the saving bank accounts of nationalized banks as on 31.12.2006 is Rs.485,77,40,549.08. The bank-wise details are enclosed in the annexure.

RBI has already instructed banks to ensure that their branches segregate and maintain,in separate ledger(s), deposit accounts which have not been operated upon for two years.In case of accounts that have remained inoperative for one year, banks are required to advise their customers.In case the advice letter is returned undelivered, the branch is expected to enquire into the whereabouts of such customers, or about legal heirs.

As per Section 26 of Banking Regulation Act, 1949, every banking company is required to submit to RBI within 30 days after the close of each calendar year, return in the prescribed form in respect of all accounts in India which have not been operated upon for 10 years or more. Most of the Public Sector Banks have reported that they are adhering to the guidelines,issued by RBI in this regard.