

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:4097
ANSWERED ON:05.09.2012
UNCLAIMED AMOUNT IN BANKS
Agarwal Shri Jai Prakash

Will the Minister of FINANCE be pleased to state:

- (a) whether crores of rupees of the depositors are lying unclaimed in various banks of the country;
- (b) if so, the Bank-wise and State-wise details thereof;
- (c) whether the Reserve Bank of India has advised banks to set up `depositors protection trust fund` for unclaimed funds deposited in the banks and to hand over the management of said fund to a company or `regulatory authority` and also advised for an amendment in the Bank Regulation Act 1949 in this regard; and
- (d) if so, the action being taken by the Government in this regard?

Answer

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

(a) & (b): Reserve Bank of India (RBI) has informed that as on 31.12.2011, a total amount of around Rs. 2,481.40 crores in 1,12,49,844 accounts is lying as unclaimed deposits with the Commercial Banks. The data reporting system of RBI does not generate the State-wise details of the unclaimed deposits. However, the bank-wise details of number of accounts and amount of unclaimed deposits, are in Annex.

(c) & (d): The amount of unclaimed deposit remains with the respective banks, which deploy the same for their general business, like any other deposits.

The Banking Laws (Amendment) Bill, 2011 has been introduced in the Lok Sabha, wherein a new Section 26A relating to formation of a `Depositor Education and Awareness Fund` has been inserted. It is proposed that the deposit accounts with banks, which have not been operated upon for a period of ten years or any deposit or any amount remaining unclaimed with any bank for more than ten years, will be credited to this Fund within three months from the expiry of the said period of ten years. The Fund is proposed to be utilized for promotion of depositors` interest and for such other purposes, as may be specified by the RBI from time to time. However, a depositor or any other claimant could claim his deposit or unclaimed amount or operate his deposit account from or with the bank after the expiry of said period of ten years and such bank shall be liable to repay such deposit or amount at such rate of interest as may be specified by RBI in this behalf. The bank would claim refund of such amount from the authority or the committee constituted by RBI to administer the Fund.