



भारतीय रिजर्व बैंक  
RESERVE BANK OF INDIA  
[www.rbi.org.in](http://www.rbi.org.in)

RBI/2009-10/211  
UBD.BPD (PCB) Cir No19 /13.01.000/2009-10

November 9, 2009

Chief Executive Officers of  
All Primary (Urban) Co-operative Banks

Dear Sir

**Unclaimed Deposits and Inoperative/ Dormant Accounts in UCBs**

Please refer to our circular [UBD.No.DS.PCB.Cir.9/13.01.00/2008-2009](http://www.rbi.org.in/UDS/UDS%20Circulars/UDS%20Circular%209%2013.01.00/2008-2009) dated September 01, 2008 on captioned subject. In terms of para 2 (vi) of the circular, for the purpose of classifying an account as 'inoperative', debit as well as credit transactions induced at the instance of customers as well as third party should be considered.

2. There may be instances where the customer has given a mandate for crediting the interest on Fixed Deposit account to the Savings Bank account and there are no other operations in the Savings Bank account. Some doubts have arisen whether such an account is to be treated as inoperative account after two years.

3. In this connection, we clarify that since the interest on Fixed Deposit account is credited to the Savings Bank accounts as per the mandate of the customer, the same should be treated as a customer induced transaction. As such, the account should be treated as operative account as long as the interest on Fixed Deposit account is credited to the Savings Bank account. The Savings Bank account can be treated as inoperative account only after two years from the date of the last credit entry of the interest on Fixed Deposit account.

Yours faithfully,

(A.K. Khound)  
Chief General Manager

Urban Banks Department, Central Office, 1 Floor, Garment House, Worli, Mumbai - 400 018  
Phone: 022 - 2493 9930 - 49, Fax: 022 - 2497 4030 / 2492 0231,  
Email: rbiubd@giasbmol.vsnl.net.in