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RESEARCH ARTICLE

UNCLAIMED DEPOSITS: DISCOVER THE TREASURE IN THE BANK

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Abstract

The Government's initiative towards financial inclusion has led to the opening of bank accounts by a very large number of people in the country, and many people hold multiple accounts with different banks. Over time, many of these accounts are forgotten. Amounts which remain unclaimed, or accounts which are not operated for ten years, are transferred by banks to the Depositor Education and Awareness Fund (DEA Fund) maintained by the Reserve Bank of India (RBI) under Section 26A of the Banking Regulation Act, 1949. As per the RBI balance sheet, the Fund stood at ₹1,12,564.29 crore on 31 March 2026. The money continues to belong to the depositor, and the depositor or the legal heir can claim it from the bank at any time. This descriptive and doctrinal study, based on secondary data, analyses the balance of the DEA Fund from 2014-15 to 2025-26 using growth rates, a log-linear trend model and a piecewise trend test, examines the distribution of unclaimed deposits across bank groups and banks, reviews the legal and regulatory framework, and explains the procedure for tracing and claiming unclaimed deposits. The Fund grew more than fourteen times at a compound annual growth rate of about 27.4 per cent. The trend growth rate fell from about 29.1 per cent a year up to 2022-23 to about 20.0 per cent a year thereafter, a change that is statistically indicative but based on only three later observations. Public sector banks account for about 84 per cent of unclaimed deposits reported to Parliament. Claimant activity, measured by UDGM registrations and average monthly refunds, rose markedly after the awareness initiatives of 2025; this is an observed association and not proof of cause. The paper offers suggestions for depositors, banks, regulators and the Government, with their implementation challenges.

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Introduction:-

The banking sector is one of the major contributors to the economy of the country. The primary function of a bank is to accept deposits and grant advances. Deposits are accepted in the form of demand deposits and time deposits. The

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Reserve Bank of India (RBI) has made remarkable efforts to develop the banking habit among the people of the country, and people have also accepted the banking system to save and preserve their money. Financial inclusion drives have resulted in tremendous growth in the opening of bank accounts. Many people now hold multiple accounts with different banks. They open an account for a particular purpose and afterwards forget to maintain it.

We frequently forget tangible things lying in front of us, like cell phones, wallets and keys. Intangible things such as bank accounts, stock market investments, fixed deposits and insurance policies are forgotten even more easily, because nothing reminds us of them.

Unlike a treasure buried under the ground, the money in forgotten bank accounts is not hidden anywhere. It is recorded in the books of the banks and accounted for in the balance sheet of the RBI, and yet its owners often do not know that it exists. A savings account opened for a scholarship, the salary account of a previous employer, a fixed deposit made by grandparents, or a joint account of parents who have passed away may each still hold money which is not in the knowledge of the rightful owner. The money is not lost; it is only lost from the owner's knowledge.

As per the balance sheet of the RBI, the balance in the Depositor Education and Awareness Fund was ₹78,212.53 crore on 31 March 2024, ₹97,545.12 crore on 31 March 2025 and ₹1,12,564.29 crore on 31 March 2026 (Reserve Bank of India, 2015–2026). To help people trace such money, the RBI launched a centralised web portal, UDGM (Unclaimed Deposits – Gateway to Access inforMation), on 17 August 2023, which enables registered users to search for unclaimed deposits across multiple banks at one place (Reserve Bank of India, 2023). By March 2024, 30 banks covering about 90 per cent of the unclaimed deposits in the DEA Fund in value terms were available on the portal (Business Standard, 2024). Besides UDGM, every bank displays the list of its unclaimed deposits on its own website.

Contribution of the Study:-

This paper adds to the existing work in four specific ways. First, it constructs a twelve-year official series of the DEA Fund balance from the RBI balance sheets (2014-15 to 2025-26), which extends the period of earlier studies that end in 2021. Second, it goes beyond growth rates by fitting a log-linear trend and testing whether the trend changed after 2022-23, the year before UDGM was launched. Third, it clearly separates the two official datasets on unclaimed deposits — the RBI balance-sheet series and the bank-wise figures reported to Parliament — and explains why they cannot be compared directly. Fourth, it brings together, in one place, the regulatory changes of 2024 and 2025 and a depositor-oriented procedure for tracing and claiming deposits, distinguishing statutory requirements, RBI directions and the authors' own recommendations.

Review of Literature:-

Financial Inclusion and the Use of Accounts:-

Sarma and Pais (2011) found a close association between the level of financial inclusion of a country and its level of human development, with income, literacy and physical infrastructure among the factors related to greater inclusion. Opening an account, however, is only the first step. The Global Findex Database 2021 reported that about 76 per cent of adults worldwide owned an account, but also documented that a substantial share of accounts in developing economies remain unused (Demirgüç-Kunt et al., 2022). As reported from the World Bank's Global Findex 2025, about 35 per cent of account holders in India had an inactive account in 2021, against about 5 per cent in other developing economies; respondents cited distance from financial institutions, lack of trust, no need for an account and insufficient money as the main reasons (Business Standard, 2025). At the micro level, Mahajan (2023), in a survey of 1,246 Pradhan Mantri Jan Dhan Yojana beneficiaries in the Pune division of Maharashtra, found that about 21 per cent did not use their accounts at all and that inactive accounts significantly outnumbered active ones, and linked inactivity mainly to low incomes. Inactive accounts are the first stage through which deposits later become unclaimed.

Financial Literacy and Depositor Awareness:-

Lusardi and Mitchell (2014), reviewing evidence from many countries, found that financial literacy is low in most populations and is associated with better saving, planning and wealth accumulation. In India, the National Strategy for Financial Education 2020–2025 sets out a multi-stakeholder approach to make people aware of financial products, their rights and the grievance redressal mechanisms available to them (National Centre for Financial Education, 2020). Awareness of one's own accounts, of nomination and of the procedure to reclaim dormant money is a specific part of this wider financial literacy.

Studies on Unclaimed Deposits and the DEA Fund:-

Gupta (2020) studied the DEAF Scheme and explained the situations in which deposits remain unclaimed, such as the death of the depositor or the depositor residing abroad, and the manner in which banks transfer such amounts to the Fund every month. Farahi (2020), in a review of the DEAF account, observed that unclaimed amounts had been rising year after year and attributed this mainly to inadequate public knowledge of the Scheme. Both studies state that no interest is paid on amounts transferred to the Fund; however, the RBI has specified that interest-bearing deposits carry simple interest when claimed, at 4 per cent up to 30 June 2018, 3.5 per cent up to 10 May 2021 and 3 per cent thereafter (Reserve Bank of India, 2021a). Abinaya and Alamelu (2023) analysed unclaimed deposits in scheduled commercial banks for 2017 to 2021 and found that they increased from ₹11,302.18 crore to ₹31,077.88 crore, that public sector banks held 83.01 per cent of the total as of December 2021, and that savings accounts formed about 69 per cent of unclaimed deposits. They recommended documented efforts by banks to trace depositors and legal heirs before transfer to the Fund.

Regulatory Documents:-

The principal regulatory documents are the Banking Laws (Amendment) Act, 2012, which inserted Section 26A in the Banking Regulation Act, 1949; the DEAF Scheme, 2014 and its revised operational guidelines of 2025 (Reserve Bank of India, 2014, 2025a); the revised instructions on inoperative accounts of 2024 (Reserve Bank of India, 2024); the Directions on settlement of claims of deceased customers of 2025 (Reserve Bank of India, 2025b); the multiple-nomination provisions of the Banking Laws (Amendment) Act, 2025 (LiveLaw, 2025); the RBI's one-year scheme for accelerated payout from 1 October 2025 (News On AIR, 2025); and the "Aapki Poonji, Aapka Adhikar" (Your Money, Your Right) campaign of October to December 2025 (Press Information Bureau, 2025). These are examined in Section 6.

Synthesis of Earlier Studies:-**Table 1: Synthesis of Earlier Studies and the Gap Addressed**

Study	Focus and data	Key finding	Limitation / gap
Sarma and Pais (2011)	Cross-country index of financial inclusion	Inclusion moves with human development, income, literacy and infrastructure	Measures access, not continued use or dormancy
Demirgüç-Kunt et al. (2022); Global Findex 2025 (Business Standard, 2025)	Global household surveys	High account ownership; about 35% of Indian account holders inactive in 2021	Does not follow inactive accounts to the stage of unclaimed deposits
Mahajan (2023)	Survey of 1,246 PMJDY beneficiaries, Pune division	About 21% of accounts unused; inactivity linked to low income	Regional sample; no link to DEA Fund
Lusardi and Mitchell (2014)	Review of financial literacy evidence	Low literacy; literacy associated with better financial behaviour	Not specific to dormant or unclaimed money
Gupta (2020); Farahi (2020)	Descriptive studies of the DEAF Scheme	Rising unclaimed amounts; low public awareness	No time-series analysis; interest position not reflected
Abinaya and Alamelu (2023)	Unclaimed deposits in SCBs, 2017–2021	Rapid growth; 83.01% with public sector banks	Ends in 2021; before UDGM and the 2024–25 reforms

Source: Compiled by the authors from the studies cited.

Research Gap:-

The literature shows a clear sequence — accounts are opened under inclusion drives, many become inactive, and inactive accounts eventually become unclaimed — but the studies examine these stages separately. Studies on inclusion and literacy do not follow inactive accounts to the DEA Fund, while studies on the DEA Fund are either

descriptive or end in 2021. None of them uses the RBI balance-sheet series up to 2025-26, tests whether the trend of the Fund changed after the launch of UDGAM in 2023, distinguishes the two official datasets on unclaimed deposits, or examines the regulatory changes of 2024 and 2025 together with a practical procedure for depositors.

This paper attempts to fill these gaps:-

Objectives of the Study:-

1. To analyse the trend of the balance in the Depositor Education and Awareness Fund from 2014-15 to 2025-26 and examine whether the trend changed after 2022-23.
2. To study the distribution of unclaimed deposits across bank groups and major banks.
3. To examine the legal and regulatory framework governing inoperative accounts and unclaimed deposits in India.
4. To explain the procedure for tracing and claiming unclaimed deposits, including those of deceased depositors.
5. To identify the challenges faced by claimants and suggest measures, with their implementation challenges, for depositors, banks, regulators and the Government.

Research Methodology:-

Research Design:-

The study is descriptive and doctrinal in nature and is based entirely on secondary data. The design is summarised in Table 2.

Table 2: Research Design at a Glance

Aspect	Details
Nature of study	Descriptive and doctrinal (legal-analytical) study
Data	Secondary data only
Period of study	2014-15 to 2025-26 (twelve financial years), with developments up to June 2026
Tools of analysis	Absolute change, year-on-year growth, CAGR, log-linear trend, piecewise (segmented) trend regression, percentage share, tables, charts and flow diagrams
Scope	Deposits and other amounts transferred by banks to the DEA Fund under Section 26A of the Banking Regulation Act, 1949

Selection and Hierarchy of Sources:-

Sources were selected on four criteria: (i) authority — the issuing body is the statutory or regulatory authority, or the source is a peer-reviewed publication; (ii) currency — the latest available version as on June 2026 was used; (iii) public accessibility, so that every figure can be verified by the reader; and (iv) direct relevance to unclaimed deposits, inoperative accounts or depositor awareness. Official sources were preferred in every case, and media reports were used only where the official original could not be accessed. Table 3 shows the hierarchy.

Table 3: Categories of Sources Used

Category	Sources	Use in the study
Official primary sources	Banking Regulation Act, 1949; RBI Annual Reports (balance sheet, Schedule 2); RBI circulars, directions and press releases; Press Information Bureau	Trend analysis; legal and regulatory framework
Official figures reported through media	Written replies of the Ministry of Finance in Parliament, as reported by newspapers	Bank-group and bank-wise distribution only
Secondary academic sources	Peer-reviewed articles, World Bank reports, National Strategy for Financial Education	Review of literature and interpretation

Category	Sources	Use in the study
Media reports	Reports quoting RBI statements on refunds and UDGM registrations	Indicators of claimant activity only, with stated caution

Source: Compiled by the authors.

Validation of Data:-

RBI balance-sheet figures were taken directly from the Annual Reports and checked for continuity: each year's opening figure equals the previous year's closing figure, and the net increase in every year was recomputed. Figures reported to Parliament were accepted only where the same reply was reported consistently by more than one publication; for example, the reply of 10 February 2026 giving ₹72,454 crore was reported identically by Free Press Journal (2026) and Daily Excelsior (2026), and its three bank-group components were checked to add up to the reported total. Figures resting on a single media report, such as the average monthly refunds, are identified as such in the text. Bank groups follow the classification used in the Parliamentary reply, and the individual banks shown are those named in the reply of August 2026 as having the largest amounts.

The Two Official Datasets:-

Two official datasets on unclaimed deposits are available, and they give different amounts. Table 4 sets out their differences. Because published sources do not explain the accounting relationship between them, this study does not compare figures across the two datasets. The balance-sheet series is used for the trend, and the Parliamentary figures only for the distribution across banks.

Table 4: The Two Official Datasets on Unclaimed Deposits

Feature	Dataset A: RBI balance sheet	Dataset B: Replies in Parliament
What is reported	Balance of the Depositor Education and Awareness Fund, shown under "Deposits – Others" in Schedule 2	Unclaimed deposits lying with the DEA Fund, by bank group and by bank
Reporting dates	31 March of each year, 2014 to 2026	28 January 2026 (₹72,454 crore); 30 June 2026 (₹86,917 crore)
Coverage	Entire Fund; components not disclosed	Bank groups (public, private, foreign) and named banks
Source	RBI Annual Reports (Reserve Bank of India, 2015–2026)	Written replies of the Minister of State for Finance in the Rajya Sabha, as reported by newspapers
Use in this study	Trend, growth rates and trend model	Distribution across bank groups and banks only

Source: Compiled by the authors. The balance on 31 March 2026 (₹1,12,564.29 crore) is higher than the Parliamentary figures; the basis of the difference is not disclosed in published sources.

Tools of Analysis:-

Year-on-year growth (%) = $(\text{Balance of current year} - \text{Balance of previous year}) \div \text{Balance of previous year} \times 100$.
CAGR (%) = $[(\text{Ending balance} \div \text{Beginning balance})^{(1/n)} - 1] \times 100$, where n is the number of years. To measure the trend, the natural logarithm of the balance was regressed on time ($\ln B_t = a + bt$), so that the annual trend growth rate is $(e^b - 1) \times 100$. To examine whether the trend changed after 2022-23, a piecewise model $\ln B_t = a + b_1t + b_2 \cdot \max(0, t - 9) + e_t$ was estimated, where $t = 1$ for 2014-15 and $t = 9$ for 2022-23; b_2 measures the change in the trend after 2022-23. The 2014-15 growth rate was excluded from averages because it reflects the first full year of transfers.

Use of AI Tool:-

The authors used Claude, an AI assistant developed by Anthropic, for structuring the paper, language editing, locating and cross-checking the secondary sources, computing growth rates and trend models and preparing the charts (Anthropic, 2026). The draft, the ideas, the interpretation and the conclusions are those of the authors, who have independently reviewed every figure and source cited.

Legal and Regulatory Framework:-

This section distinguishes three kinds of provisions: requirements of the statute, directions and instructions issued by the RBI, and Government initiatives. The authors' own recommendations are given separately in Section 12. Table 5 summarises the instruments.

Table 5: Instruments Governing Unclaimed Deposits

Instrument	Nature	Key provision
Banking Regulation Act, 1949, Section 26A	Statute	Transfer to the DEA Fund of amounts unclaimed or accounts not operated for ten years; depositor's right to claim preserved
DEAF Scheme, 2014 and revised operational guidelines, 2025	RBI scheme and guidelines	Amounts to be transferred; claim reimbursement to banks; interest of 3% on interest-bearing deposits; e-Kuber from 1 October 2025
Inoperative accounts – revised instructions, 2024	RBI instructions	Inoperative after two years; annual review; no charges for re-activation; UDRN
Settlement of claims of deceased customers, 2025	RBI directions	15-day settlement; simplified procedure up to ₹15 lakh / ₹5 lakh; compensation for delay
Banking Laws (Amendment) Act, 2025	Statute	Up to four nominees, simultaneous or successive, from 1 November 2025
Integrated Ombudsman Scheme, 2021	RBI scheme	Grievance redressal against banks
Accelerated payout scheme (2025) and "Your Money, Your Right" campaign (2025)	RBI scheme; Government campaign	Incentive and outreach to return unclaimed amounts

Source: Compiled by the authors from the instruments cited in Sections 6.1 to 6.6.

Section 26A of the Banking Regulation Act, 1949:-

Section 26A empowers the RBI to establish the Depositor Education and Awareness Fund. Every bank is required to credit to the Fund the amount standing to the credit of any account which has not been operated upon for ten years, or any deposit or amount remaining unclaimed for ten years, within three months of the expiry of that period. The Fund is used for the promotion of depositors' interests and for such other purposes as may be specified by the RBI. The transfer does not extinguish the right of the depositor: the depositor, or the legal heir, can claim the amount from the bank at any time, and the bank, after repaying, claims reimbursement from the Fund (Banking Regulation Act, 1949, § 26A; Reserve Bank of India, 2014).

The Depositor Education and Awareness Fund Scheme, 2014:-

The Scheme specifies the amounts to be transferred to the Fund. These include savings bank, current and term deposit accounts; cash credit and loan accounts after appropriation; margin money; outstanding telegraphic and mail transfers; demand drafts, pay orders and bankers' cheques; sundry and suspense account balances; rupee-denominated deposits of non-residents; prepaid card balances; and such other amounts as may be specified by the RBI (Reserve Bank of India, 2014). Interest-bearing deposits, when claimed, carry simple interest at 3 per cent per annum with effect from 11 May 2021 (Reserve Bank of India, 2021a, 2025a). Under the revised operational guidelines effective from 1 October 2025, banks transfer the amounts and lodge their refund claims electronically through the RBI's e-Kuber system (Reserve Bank of India, 2025a).

Inoperative Accounts – Revised Instructions (2024):-

A savings or current account is treated as inoperative if there are no customer-induced transactions in it for a period of over two years. The revised instructions effective from 1 April 2024 require banks to carry out an annual review of accounts with no operation for over one year and to inform the account holders by letter, e-mail or SMS; prohibit penal charges for non-maintenance of minimum balance in inoperative accounts and charges for their re-activation; allow re-activation at any branch and through video-based customer identification; exclude zero-balance accounts opened for scholarships and Direct Benefit Transfers from being classified as inoperative; and require a Unique

Deposit Reference Number (UDRN) for every unclaimed deposit transferred to the Fund (Reserve Bank of India, 2024).

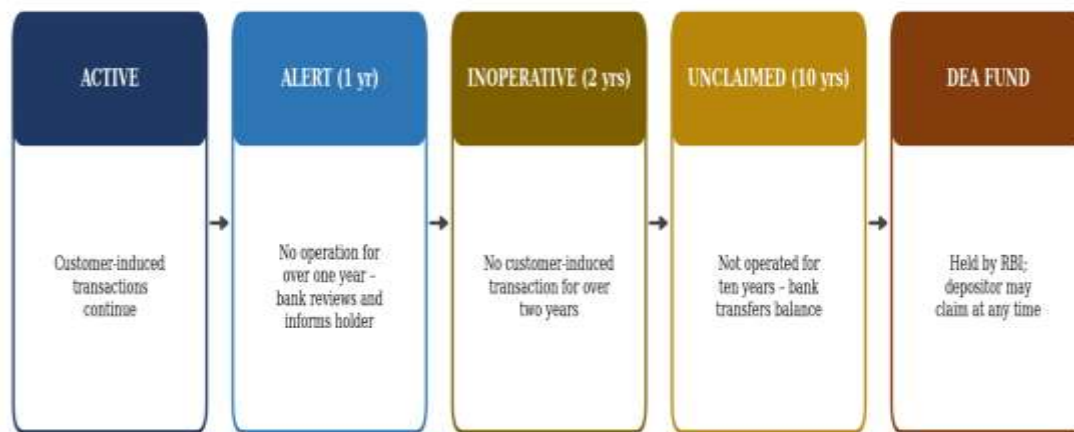


Figure 1: Life Cycle of a Deposit from Active Account to DEA Fund

Source: Compiled by the authors from Section 26A of the Banking Regulation Act, 1949 and Reserve Bank of India (2024).

Settlement of Claims of Deceased Depositors (2025):-

The RBI Directions of 26 September 2025, to be implemented by banks not later than 31 March 2026, bring uniformity to the settlement of claims of deceased customers. Claims in deposit accounts are to be settled within 15 calendar days of receipt of all required documents. Where there is no nomination or survivorship clause, a simplified procedure without a succession certificate or probate applies up to ₹15 lakh in commercial banks and ₹5 lakh in co-operative banks. For delay, the bank must pay interest at not less than the Bank Rate plus 4 per cent per annum (Reserve Bank of India, 2025b).

Nomination under the Banking Laws (Amendment) Act, 2025:-

With effect from 1 November 2025, a depositor may nominate up to four persons, either simultaneously (with specified shares) or successively (Banking Laws (Amendment) Act, 2025; LiveLaw, 2025). Nomination is the simplest safeguard against a deposit becoming unclaimed after the death of the depositor.

Grievance Redressal:-

Where a bank does not settle a claim, or delays it, the claimant may first complain to the bank and thereafter approach the RBI under the Reserve Bank – Integrated Ombudsman Scheme, 2021 (Reserve Bank of India, 2021b).

Data Analysis and Interpretation:-

Trend of the DEA Fund, 2014-15 to 2025-26:-

Table 6 presents the balance of the DEA Fund as per the balance sheet of the RBI at the end of each financial year, the net increase during the year and the year-on-year growth. The Fund was created in 2013-14 and its balance on 31 March 2014 was ₹2,795 crore (Reserve Bank of India, 2015–2026).

Table 6: Balance in the Depositor Education and Awareness Fund, 2014-15 to 2025-26

Financial Year	Balance in DEA Fund (₹ crore)	Net Increase during the Year (₹ crore)	Year-on-Year Growth (%)
2014-15	7,875.00	5,080.00	181.75
2015-16	10,585.00	2,710.00	34.41

Financial Year	Balance in DEA Fund (₹ crore)	Net Increase during the Year (₹ crore)	Year-on-Year Growth (%)
2016-17	14,697.00	4,112.00	38.85
2017-18	19,567.00	4,870.00	33.14
2018-19	25,747.00	6,180.00	31.58
2019-20	33,114.46	7,367.46	28.61
2020-21	39,264.25	6,149.79	18.57
2021-22	48,262.85	8,998.60	22.92
2022-23	62,224.89	13,962.04	28.93
2023-24	78,212.53	15,987.64	25.69
2024-25	97,545.12	19,332.59	24.72
2025-26	1,12,564.29	15,019.17	15.40

Source: Schedule 2 of the RBI balance sheet, Annual Reports 2014-15 to 2025-26 (Reserve Bank of India, 2015–2026); growth computed by the authors. Net increase = difference between two year-end balances, i.e., amounts transferred by banks less amounts reimbursed to banks for claims paid. The growth in 2014-15 reflects the first full year of transfers.

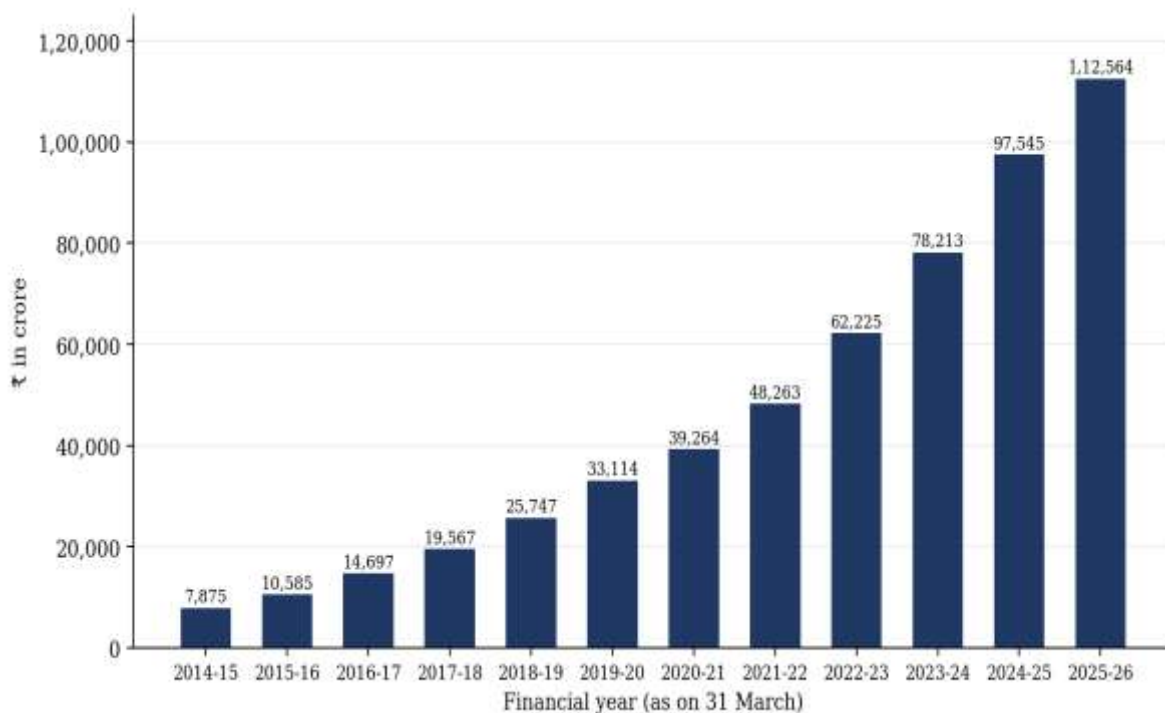


Figure 2: Growth of the DEA Fund Balance (₹ crore)

Source: Table 6.

The balance increased in every year of the study period, from ₹7,875 crore in 2014-15 to ₹1,12,564.29 crore in 2025-26, i.e., more than fourteen times. The CAGR over the eleven intervals is 27.35 per cent; this figure was recomputed independently and is consistent with the trend growth rate of 27.19 per cent estimated in Section 7.2. Percentage growth has moderated over time, while the absolute addition has become much larger: the five years from 2021-22 to 2025-26 added ₹73,300 crore, about 65 per cent of the present balance. The largest addition was in

2024-25 (₹19,332.59 crore). In 2025-26 the addition fell to ₹15,019.17 crore and growth slowed to 15.40 per cent, the lowest in the period.

Trend Model and Change in Trend after 2022-23:-

Table 7 reports the trend estimates. The log-linear trend fits the twelve observations closely ($R^2 = 0.993$) and gives a trend growth rate of 27.19 per cent a year. In the piecewise model, the trend growth rate is 29.08 per cent a year up to 2022-23 and 20.04 per cent a year thereafter. The change coefficient ($b_2 = -0.0726$) has a t-value of -2.69 ($p \approx 0.025$, 9 degrees of freedom).

Table 7: Trend Estimates for the DEA Fund Balance (ln of balance on time)

Measure	Estimate	Remarks
CAGR, 2014-15 to 2025-26	27.35%	11 intervals
Log-linear trend growth rate, 2014-15 to 2025-26	27.19% a year	$R^2 = 0.993$
Piecewise model: trend growth up to 2022-23	29.08% a year	$b_1 = 0.2552$
Piecewise model: trend growth after 2022-23	20.04% a year	$b_1 + b_2 = 0.1827$
Change in trend after 2022-23 (b_2)	-0.0726	$t = -2.69$; $p \approx 0.025$
Durbin-Watson statistic (piecewise model)	0.69	Positive autocorrelation
Mean year-on-year growth, 2015-16 to 2022-23	29.63%	8 years
Mean year-on-year growth, 2023-24 to 2025-26	21.94%	3 years

Source: Computed by the authors from Table 6.

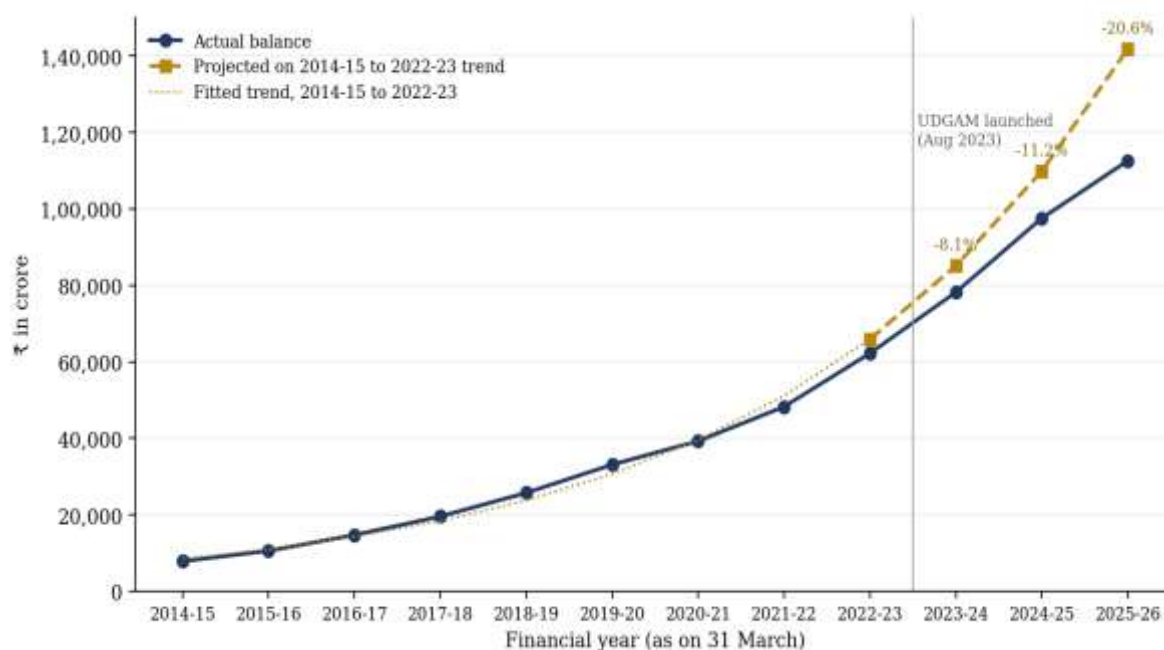


Figure 3: Actual Balance and Balance Projected on the 2014-15 to 2022-23 Trend (₹ crore)

Source: Computed by the authors from Table 6. Percentages show the gap between the actual and projected balance. If the trend of 2014-15 to 2022-23 had continued, the balance would have been about ₹85,098 crore in 2023-24, ₹1,09,836 crore in 2024-25 and ₹1,41,766 crore in 2025-26. The actual balances were lower by 8.1, 11.2 and 20.6 per cent respectively (Figure 3). The slowdown therefore began in 2023-24, the year in which UDGAM was launched, and continued through the 2024 and 2025 reforms. These results must be read with caution. Only three observations fall after the break, and the low Durbin-Watson statistic indicates positive autocorrelation, which tends to overstate statistical significance; the p-value is therefore indicative only. The model also cannot separate the

possible influences — UDGM, the 2024 instructions, the simplified procedure for deceased claimants, the incentive scheme for banks, media coverage, or a natural slowing as the base grows. The result shows that the growth of the Fund slowed after 2022-23; it does not show why.

Distribution across Bank Groups:-

Table 8: Unclaimed Deposits by Bank Group (Dataset B, as on 28 January 2026)

Bank Group	Amount (₹ crore)	Share (%)
Public sector banks	60,571.02	83.60
Private sector banks	9,607.76	13.26
Foreign banks	2,275.01	3.14
Total	72,453.79	100.00

Source: Written reply in the Rajya Sabha on 10 February 2026, as reported by Free Press Journal (2026) and Daily Excelsior (2026); share computed by the authors. The reported total of ₹72,454 crore is the sum of the three groups. Public sector banks hold more than four-fifths of unclaimed deposits in Dataset B. Abinaya and Alamelu (2023) reported a share of 83.01 per cent in December 2021; although their data and Dataset B are not on an identical basis, the similar share suggests that the concentration has persisted. Public sector banks have the widest rural reach and hold a large share of financial inclusion accounts, which the literature in Section 2.1 identifies as more prone to inactivity.

Bank-wise Position:-

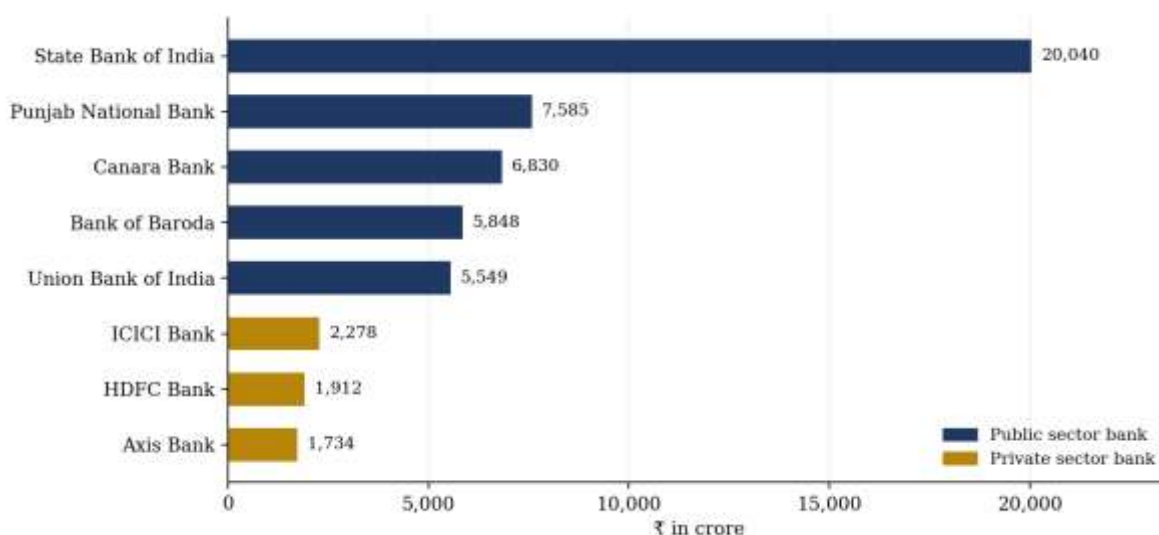


Figure 4: Banks with the Largest Unclaimed Deposits (Dataset B, as on 30 June 2026, ₹ crore)

Source: Written reply in the Rajya Sabha, as reported by Business Standard (2026b).

Within Dataset B, State Bank of India accounts for ₹20,040 crore, about 23 per cent of the ₹86,917 crore reported as on 30 June 2026, and the five largest public sector banks together for about 53 per cent. Among private sector banks, ICICI Bank, HDFC Bank and Axis Bank have the largest amounts, each below ₹2,300 crore. As on the same date, ₹17,415 crore had been reimbursed from the Fund to banks for amounts paid to claimants (Business Standard, 2026b).

Indicators of Claimant Activity:-**Table 9: Indicators of Claimant Activity before and after the 2025 Initiatives**

Indicator	Value	Reference date
Registered users of UDGM	8,59,683	1 July 2025
Registered users of UDGM	18.86 lakh	1 March 2026
Average monthly refund of unclaimed deposits	₹180 crore	Apr–Sep 2025
Average monthly refund of unclaimed deposits	₹760 crore	Oct 2025 onwards

Source: CAalley (2025), citing a reply in the Lok Sabha; Business Standard (2026a), citing a statement of the RBI. Both refund figures rest on a single media report of the RBI statement.

Registered users of UDGM more than doubled within eight months, and the average monthly refund rose about four times after October 2025. These changes coincide with the "Your Money, Your Right" campaign (Press Information Bureau, 2025) and the RBI's incentive scheme for banks (News On AIR, 2025). They are consistent with an effect of greater awareness and outreach, but the data cannot isolate that effect from other factors, such as the simplified procedure for deceased claimants, bank-level tracing efforts and media coverage. The association is therefore reported as an observation, not as a causal finding.

Findings:-**Findings directly shown by the data:-**

1. The balance of the DEA Fund increased in every year from 2014-15 to 2025-26, from ₹7,875 crore to ₹1,12,564.29 crore, at a CAGR of 27.35 per cent (Dataset A).
2. About 65 per cent of the balance on 31 March 2026 was added in the five years from 2021-22 to 2025-26 (Dataset A).
3. The trend growth rate was lower after 2022-23 (about 20.0 per cent a year) than before (about 29.1 per cent a year), and the actual balance in 2025-26 was 20.6 per cent below the earlier trend (Dataset A; indicative, three post-break observations).
4. Public sector banks hold 83.60 per cent of the unclaimed deposits reported on 28 January 2026, and State Bank of India about 23 per cent of those reported on 30 June 2026 (Dataset B).
5. UDGM registrations and average monthly refunds rose sharply between mid-2025 and early 2026 (media reports of official figures).

Interpretations of the authors:-

1. The continuous rise of the Fund indicates that many depositors do not maintain structured records of their accounts.
2. The slowdown after 2022-23 and the rise in claimant activity are consistent with the effect of UDGM, the regulatory reforms and the awareness campaign, though the data cannot establish the cause.
3. The concentration in public sector banks is consistent with their larger share of financial inclusion accounts, which are more prone to inactivity.

Reasons For Accounts Becoming Dormant:-

Table 10 brings together the reasons reported in the literature and those observed in professional practice. The first group is supported by survey evidence; the second is based on the first author's professional observation and is offered as a basis for future primary research.

Table 10: Reasons for Accounts Becoming Dormant

Reason	Explanation	Basis
Low income and no need for the account	Accounts opened under inclusion drives are not used when there is little money to save or transact	Mahajan (2023); Business Standard (2025)
Distance and lack of trust	Distance from branches and lack of trust in financial institutions	Business Standard (2025)

Reason	Explanation	Basis
Discomfort in using accounts	Many account holders are not comfortable using an account on their own	Business Standard (2025)
Migration and relocation	People moving to other cities or countries leave old accounts unattended	Professional observation
Single-purpose accounts	Accounts opened for salary, loan, subsidy or scholarship are left once the purpose is over	Professional observation
Death without nomination	Families are unaware of the accounts of deceased relatives	Professional observation
Bank amalgamations	Change of bank names, IFSC and branches after mergers	Professional observation
Absence of family records	No record of accounts, passbooks and deposit receipts is kept or shared within the family	Professional observation

Source: Compiled by the authors from the sources shown.

Impact on Stakeholders:-

For individual depositors, unclaimed deposits mean loss of access to their own money and potential earnings, and difficulty for legal heirs in establishing claims years later. For banks, dormant accounts carry an administrative and compliance burden, a risk of fraud and the cost of tracing customers and settling claims. For the economy, substantial funds remain away from their rightful owners, which calls for continued regulatory attention.

Procedure For Tracing Unclaimed Deposits:-

It is important to distinguish two separate steps: locating a deposit and settling the claim. UDGM and bank websites only help in locating the deposit; the claim is always settled by the concerned bank.

UDGM Portal:-

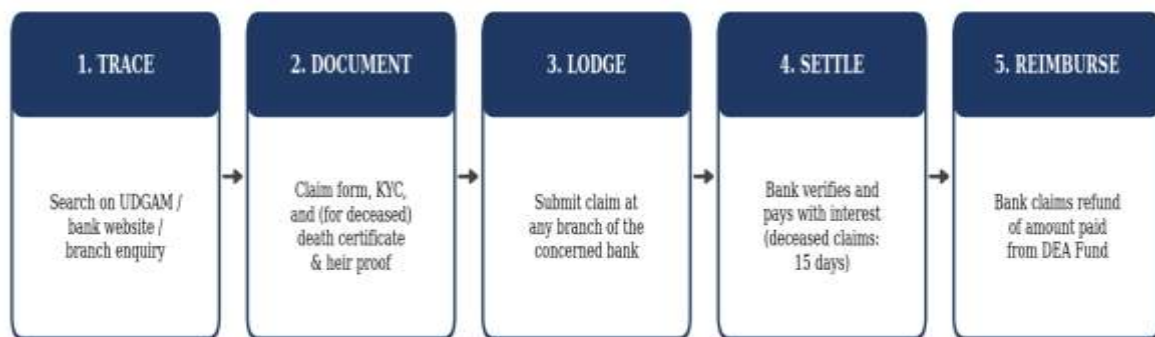
Table 11: Steps for Searching Unclaimed Deposits on UDGM

Step	Action
1	Visit the official portal of the RBI at udgm.rbi.org.in and register with name and mobile number, verified through OTP.
2	Select the "Individual" tab (or the "Non-Individual" tab for entities).
3	Enter the name of the account holder (or of the deceased family member) and select the bank, or all banks.
4	Enter at least one of the following identifiers: PAN, voter ID, driving licence number, passport number or date of birth.
5	Click "Search" and view the results showing the account holder's name, location, bank name and Unclaimed Deposit Reference Number (UDRN).
6	Approach the concerned bank to lodge the claim, quoting the UDRN.

Source: Compiled by the authors from Reserve Bank of India (2023) and CAalley (2025).

Bank Websites and Branches:-

Each bank displays a searchable list of unclaimed deposits, generally under an "Unclaimed Deposits" or "Inoperative Accounts" link on its website, which can be searched by the name and address or date of birth of the account holder. Where online search does not yield results, the claimant can enquire at any branch of the bank with identity proof, address proof, proof of relationship (for a deceased account holder) and any old passbook, cheque book, deposit receipt or statement available.

Procedure For Claiming Unclaimed Deposits:-**Figure 5: Process for Claiming an Unclaimed Deposit**

Source: Compiled by the authors from Reserve Bank of India (2014, 2025a, 2025b).

Table 12: Documents Generally Required for Claims

Claim by the Depositor Himself / Herself	Claim by Nominee or Legal Heir of a Deceased Depositor
Claim / re-activation form of the bank	Claim form of the bank
Identity proof (Aadhaar, PAN, passport, etc.)	Death certificate of the depositor
Address proof and recent photograph	KYC documents of the claimant(s)
Fresh KYC documents	Proof of nomination, if registered
Passbook, deposit receipt or cheque book, if available	Where there is no nominee: documents as per the bank's simplified procedure (claim form, affidavit, indemnity, no-objection from other heirs) within the prescribed threshold; beyond it, succession certificate / probate / letter of administration

Source: Compiled by the authors. The exact documents and procedure vary from bank to bank and with the circumstances of the claimant; see Reserve Bank of India (2025b) for claims of deceased depositors.

The documents in Table 12 are indicative. Each bank prescribes its own claim form and may ask for further documents depending on the type of account, the amount involved and whether the claimant is the depositor, a nominee or a legal heir. Once the bank verifies the documents, it pays the amount with applicable interest by credit to an active account of the claimant or by demand draft. For claims of deceased depositors, the settlement must be completed within 15 calendar days of receipt of all required documents, failing which the bank must compensate for the delay (Reserve Bank of India, 2025b). The bank then claims reimbursement from the DEA Fund; the claimant does not deal with the RBI directly.

Challenges and Suggestions:-**Common Challenges:-**

Claimants commonly face missing KYC or account-opening documents; mismatch of name, address or signature with the bank's records; disputes among legal heirs where there is no nomination; difficulty in tracing accounts migrated during bank amalgamations; outdated mobile numbers and e-mail addresses; and difficulty in obtaining legal heir certificates where the estate consists only of bank balances or other financial assets.

Suggestions and Their Implementation Challenges:-

The following are the authors' recommendations, as distinct from the existing legal requirements described in Section 6. Table 13 also notes the practical challenges in implementing each of them.

Table 13: Suggestions and Implementation Challenges

Stakeholder	Suggestion	Implementation challenge
Account holders	Review all accounts every six months; keep mobile number and e-mail updated; close unnecessary accounts; register nominations (now up to four); keep a family record of accounts	Depends on individual awareness and digital access; low-income and elderly depositors may need assisted channels
Banks	Contact customers before the one-year and two-year stages; make documented efforts to trace depositors and legal heirs before transfer; simplify and standardise claim procedures	Cost of outreach for small balances; outdated contact data; staff time at branches; risk of fraud in re-activation
Regulators	Extend UDGM to all banks including co-operative banks; continue campaigns and incentives; publish periodic data on claims settled; publish one reconciled figure of unclaimed deposits	Technology integration of smaller and co-operative banks; incentives have fiscal cost; reconciliation requires standard definitions
Government	A single portal for all unclaimed financial assets — deposits, shares, dividends, insurance, mutual funds and pension; simpler legal heirship certification for financial assets	Coordination among several regulators (RBI, SEBI, IRDAI, PFRDA, IEPFA); data-sharing and privacy safeguards; legal heirship falls under State revenue authorities

Source: Authors' recommendations.

Limitations and Scope For Further Research:-

The study is based only on secondary data published by the RBI, the Government and the press, and its accuracy depends on those sources. The two official datasets are on different bases which published sources do not reconcile, and some figures are available only through media reports of official statements. Year-wise data of gross transfers, refunds and the number of accounts were not available for the whole period. The trend test rests on only three observations after 2022-23 and on annual data that show autocorrelation, so its result is indicative. Future research may collect primary data from depositors and legal heirs to measure awareness of UDGM and the actual experience of claim settlement; may use monthly or bank-wise data, if made available, to test the effect of specific reforms; and may compare unclaimed deposits with other unclaimed financial assets such as those transferred to the Investor Education and Protection Fund.

Conclusion:-

The data show that the balance of the DEA Fund rose continuously from ₹7,875 crore in 2014-15 to ₹1,12,564.29 crore in 2025-26, that about 65 per cent of the present balance was added in the last five years, and that unclaimed deposits reported to Parliament are concentrated in public sector banks. The data also show that the growth of the Fund slowed after 2022-23 and that claimant activity rose sharply after the initiatives of 2025. In the authors' interpretation, these patterns point to inadequate record-keeping by depositors and to the value of awareness and simpler procedures. UDGM, the revised instructions on inoperative accounts, the Directions on deceased customers' claims and the facility of multiple nominees have made the path to recovery clearer, although the present data cannot measure the separate contribution of each. Account holders, banks, regulators and the Government each have a role, and the suggestions made in this paper will need to overcome the practical challenges noted against them. The money in the Fund is not lost; with sustained effort it can be returned to its rightful owners.

Declarations:-

Conflict of interest:-

The authors declare no conflict of interest.

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Ethics:-

The study uses only published secondary data and involves no human or animal participants.

Data availability:-

All data used in this study are publicly available from the sources cited in the references.

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