

RBI Amends Unclaimed Deposits & Inoperative Account Rules

The Reserve Bank of India (RBI) vide its **Notification RBI/2025-26/52**, has issued an amendment to its instructions regarding inoperative bank accounts and unclaimed deposits, effective June 12, 2025. This Notification clarifies and updates the procedures for managing funds that have remained unoperated or unclaimed for ten years or more, which are ultimately transferred to the Depositor Education and Awareness (DEA) Fund.

The primary change outlined in the amendment is the expansion of facilities for Know Your Customer (KYC) updates to activate such accounts. Banks are now required to offer KYC updation services at all branches, including non-home branches. Furthermore, banks are encouraged to utilize the Video-Customer Identification Process (V-CIP) for KYC updates, adhering to existing Master Directions on KYC.

A significant addition is the allowance for banks to leverage their authorized Business Correspondents to facilitate the activation of these inoperative accounts and unclaimed deposits. This aims to streamline the process of account reactivation and ensure compliance with regulatory requirements.

Link

<https://rbidocs.rbi.org.in/rdocs/notification/PDFs/NT51DBAEE225F2C146A387F924D11F548CB6.PDF>