



निक्षेप बीमा और प्रत्यय गारंटी निगम
DEPOSIT INSURANCE AND CREDIT GUARANTEE CORPORATION
(भारतीय रिज़र्व बैंक की संपूर्ण स्वामित्ववाली सहयोग
A wholly owned subsidiary of Reserve Bank of India)

www.dicgc.org.in

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To All Insured Banks

Dear Sir,

Maintenance of Separate Data for Insured Deposits

It has been decided that all the insured banks should maintain separate data for deposits that are eligible for insurance cover.

2. In view of the above, you are requested to start maintaining, if not already being done, separate data on deposits that are eligible for insurance cover. Such data may be maintained in a separate register and/or in electronic form. Maintenance of such data will be helpful to you in properly monitoring in remittance of premium so as to avoid penal interest and also in timely submitting statements like DI-01, DI-02, etc., to the Corporation.

3. Insured banks are free to devise their own format for maintaining such data. However, basic information, such as total deposits, assessable deposits, deposits which are not eligible for insurance cover, insured deposits, insurance premium paid, various statements sent, etc., must be captured in the data. While compiling/maintaining the data, the bank should be guided by the definition of "Deposit" under Section 2 (g) of the DICGC Act, 1961 and our clarifications on term "Deposit" (as per the [Annexure](#)).

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The Deposit Insurance and Credit Guarantee Corporation will shortly announce details of the scheme.

Annexure

CLARIFICATION OF THE TERM 'DEPOSIT'

Section 2(g) of the Deposit Insurance and Credit Guarantee Corporation Act defines the term 'deposit' as the aggregate of the unpaid balances due to a depositor in respect of all his accounts by whatever name called, with an insured bank and excludes certain categories of deposits from the purview of the Act. It follows that in order to be 'deposits', the unpaid balances should be due to a depositor and should be in respect of accounts in his name or maintained by him. We have received several references seeking clarification whether a particular item would constitute 'deposit' or not and our views on the points raised have been communicated to the respective banks. However, the classification of some of the more common and important items is indicated below for your guidance. This, of course, is not an exhaustive list and clarifications may be sought in case of doubt.

I. Items which are to be included within the category of 'deposits' as defined in the Act.

- (1) Credit balances in cash - credit accounts
- (2) Margins held against letters of credit, guarantees, bills purchased etc., if these amounts are held in an account of the depositor marking merely a lien or instructions as to disposal.
- (3) Deposits held as security for advances or employees security deposits or staff cash security.
- (4) Accrued interest on fixed and other term deposits.
- (5) Mail and telegraphic transfers from one deposit account to another.
- (6) Amount received for credit of deposit account but held in "Suspense" pending receipt of full particulars or compliance with some formalities.
- (7) Overdue term deposits and unclaimed deposits/balances.
- (8) Provident Fund balances relating to the bank's own staff.
- (9) Deposits of local authorities and quasi-Government bodies like Municipal Corporations, district Boards, housing and Electricity Boards etc., which are separate legal entities.

- (10) Deposits of autonomous or statutory bodies, Government owned Corporations, Government companies, Life Insurance Corporation, Industrial and State Financial Corporation etc.
- (11) Security deposits and earnest monies held in the name of Government departments on account of constituents which are payable to the constituents, if not claimed by Government.
- (12) Deposits held in the individual names of Government and Embassy officials, Regimental officers etc.
- (13) Unpresented drafts and pay-orders held in the depositors' accounts.
- (14) Staff Security Deposits deposited in a scheduled bank as per provisions of Companies Act, 1956.
- (15) Balances held in 'Sundry Creditors' for the purpose of credit to depositors' accounts.
- (16) Recurring deposits which have ceased to be deposits due to non-payment by clients, pending refund.
- (17) Deposits of Non Resident Rupee Accounts.
- (18) Provident Fund balances relating to bank's staff held by bank before they are transferred to Provident Fund Commissioner.
- (19) Balances of small Farmers Development Agency (SFDA) Fish Farmers Development Agency (FFDA), District Rural Development Agency (DRDA).
- (20) Reserve fund of societies held with District/Central Co-operative Banks.
- (21) Daily collections of 'Pigmy Deposits' credited to "Sundry Creditors" Account.
- (22) Surplus credited to 'Sundry Creditors' Account after appropriating loan due from the proceeds of of Term Deposits.

**II - Items which do not fall within the scope
the definition of 'deposit' given in the Act.**

- (1) Deposits received outside India

- (2) Monies belonging to and deposits in the names of foreign Government, Central Government, State Governments, banking companies and co-operative banks (Inter-bank deposits), deposits of State Land Development Banks held with State Co-operative Banks.
- (3) Outstanding Demand Drafts and telegraphic remittances other than transfers from one deposit account to another.
- (4) Pay-orders issues, with the exception of those representing the balance in a deposit account closed without reference to the depositor.
- (5) Proceeds of bills received for collection held in suspense pending remittance or compliance with certain formalities connected with the remittance.
- (6) Amounts held in suspense for appropriation towards any amount due to the bank. When payment has been received in respect of an advance and the same is held in suspense on account of some dispute or compliance with certain formalities, such amount would not be 'deposit' as it is definitely meant to be appropriated towards the amount due.
- (7) Collection account balance held for purposes of remittances.
- (8) Taxes collected and held in suspense account for payment to competent authorities.
- (9) Security Deposits (Earnest Money) held in the name of Government or banking company
- (10) Share call money, deposit for godown locks, staff Guarantee Fund, Share Suspense Account.
- (11) Margins held separately for the specific purpose of appropriation in a contingency.