

## 10. What is the meaning of deposits held in the same capacity and same right; and deposits held in different capacity and different right?

If an individual opens more than one deposit account in one or more branches of a bank for example, Shri S.K. Pandit opens one or more savings/current account and one or more fixed/recurring deposit accounts etc., all these are considered as accounts held in the same capacity and in the same right. Therefore, the balances in all these accounts are aggregated and insurance cover is available upto rupees five lakhs in maximum.

If Shri S.K. Pandit also opens other deposit accounts in his capacity as a partner of a firm or guardian of a minor or director of a company or trustee of a trust or a joint account, say with his wife Smt. K. A. Pandit, in one or more branches of the bank then such accounts are considered as held in different capacity and different right. Accordingly, such deposits accounts will also enjoy the insurance cover upto rupees five lakhs separately.

It is further clarified that the deposit held in the name of the proprietary concern where a depositor is the sole proprietor and the amount of Deposit held in his individual capacity are aggregated and insurance cover is available upto rupees five lakhs in maximum.

### Illustrations

	Savings A/C	Current A/C	FD A/C	Total Deposits	Deposits Insured upto
<b>Shri S. K. Pandit (Individual)</b>	4,17,200	22,000	80,000	5,19,200	5,00,000
<b>Shri S. K. Pandit (Partner of ABC &amp; Co.)</b>		4,75,000	50,000	5,25,000	5,00,000
<b>Shri S. K. Pandit (Guardian for Master Ajit)</b>	97,800		3,80,000	4,77,800	4,77,800
<b>Shri S. K. Pandit (Director, J.K. Udyog Ltd.)</b>		4,30,000	2,45,000	6,75,000	5,00,000
<b>Shri S. K. Pandit jointly with Smt. K. A. Pandit</b>	87,500	4,50,000	70000	6,07,500	5,00,000

### Deposits held in joint accounts (revised w.e.f. April 26, 2007)

If more than one deposit accounts (Savings, Current, Recurring or Fixed deposit) are jointly held by individuals in one or more branch of a bank say three individuals A, B & C hold more than one joint deposit accounts in which their names appear in the same order then all these accounts are considered as held in the same capacity and in the same right. Accordingly, balances held in all these accounts will be aggregated for the purpose of determining the insured amount within the limit of ₹ 5 lakhs.

However, if individuals open more than one joint accounts in which their names are not in the same order for example, A, B and C; C, B and A; C, A and B; A, C and B; or group of persons are different say A, B and C and A, B and D etc. then, the deposits held in these joint accounts are considered as held in the different capacity and different right. Accordingly, insurance cover will be available separately upto rupees five lakhs to every such joint account where the names appearing in different order or names are different.

### Illustrations

Account (i) (Savings or Current A/C)	First a/c holder - "A" Second a/c holder - "B"	Maximum insured amount upto ₹5 lakh
Account (ii)	First a/c holder - "A" Second a/c holder - "C"	Maximum insured amount upto ₹5 lakh
Account (iii)	First a/c holder - "B" Second a/c holder - "A"	Maximum insured amount upto ₹5 lakh
Account (iv) at Branch 'X' of the bank	First a/c holder - "A" Second a/c holder - "B" Third a/c holder - "C"	Maximum insured amount upto ₹5 lakh
Account (v)	First a/c holder - "B" Second a/c holder - "C" Third a/c holder - "A"	Maximum insured amount upto ₹5 lakh
Account (vi)(Recurring or Fixed Deposit)	First a/c holder - "A" Second a/c holder - "B"	The account will be clubbed with the a/c at (i)
Account (vii) At Branch 'Y' of the bank	First a/c holder - "A" Second a/c holder - "B" Third a/c holder - "C"	The account will be clubbed with the a/c at (iv)
Account (viii)	First a/c holder - "A" Second a/c holder - "B" Third a/c holder - "D"	Maximum insured amount upto ₹5 lakh