

**Opening of saving bank accounts in
the name of certain bodies / organizations**

December 14, 2002

Ref No. DBOD. Dir. BC. 51/13.03.00/2002-03

All Commercial Banks
(excluding RRBs and LABs)

Dear Sir,

**Opening of saving bank accounts in
the name of certain bodies / organizations**

Please refer to paragraph 2 of our Circular DBOD No. Dir. BC. 35/13.03.00/2000-01 dated October 17, 2000, permitting banks to open savings bank accounts in the name of Government departments/bodies/agencies in respect of grants/ subsidies released for implementation of various programmes/schemes sponsored by the **Central Government** on production of an authorization to the bank from the respective Government departments certifying that the concerned Government department or body has been permitted to open savings bank account.

2. On a review of the matter, it has now been decided to allow banks to open savings bank accounts in the names of State Government departments/bodies/ agencies in respect of grants/subsidies released for implementation of various programmes/schemes sponsored by **State Governments** on production of an authorization to the bank from the respective Government departments certifying that the concerned Government department or body has been permitted to open savings bank account. Banks should keep on their record a copy of the authorization issued by the respective State Government departments. Accordingly, item (7), Annexure V of our Master Directive DBOD No. Dir.BC. 07/13.03.00/2001-02 dated 11 August 2001 has been amended.

3. An amending directive DBOD No. Dir. BC. 50/13.03.00/2002-03 dated December 14, 2002 is enclosed.

4. Please acknowledge receipt.

Yours faithfully,

(M.R. Srinivasan)

Chief General Manager-in-Charge

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**Opening of saving bank accounts in the
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In exercise of the powers conferred by Sections 21 and 35A of the Banking Regulation Act, 1949 and in modification of its Master Directive DBOD No. Dir. BC. 07/13.03.00/2001-02 dated 11 August 2001 as amended from time to time, the Reserve Bank of India, being satisfied that it is necessary and expedient in the public interest so to do, hereby directs that item 7, Annexure V of the aforesaid directive shall be substituted by following with immediate effect.

- (7) Government departments/bodies/agencies in respect of grants/subsidies released for implementation of various programmes/schemes sponsored by **Central Government/State Governments** subject to production of an authorization from the respective Central/State Government departments to open savings bank account.

All other provisions of the Directive DBOD No. Dir. BC. 07/13.03.00/2001-02 dated August 11, 2001 shall remain unchanged.

(K.L. Khetarpaul)
Executive Director