



भारतीय रिजर्व बैंक

**RESERVE BANK OF INDIA**

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RBI /2014-15/202

DBOD. No.Leg. BC.37/ 09.07.005/ 2014-15

September 1, 2014

All scheduled Commercial Banks  
(Excluding RRBs)

Dear Sir/ Madam

**Treatment of accounts opened for credit of Scholarship  
Amounts under Government Schemes**

Please refer to our [Circular DBOD. No. Leg. BC.53/09.07.005/2013-14 dated September 17, 2013](#) advising banks to allot a different "product code" in their CBS to accounts opened by banks for beneficiaries under the various Central / State Government Schemes including scholarship schemes for students so that the stipulation of inoperative /dormant account due to non-operation does not apply.

2. Bombay High Court has brought to our notice that banks fix a limit on total credits in zero balance accounts opened for students studying in primary, secondary / higher secondary schools and technical institutions. Resultantly, in cases where scholarship amounts exceed the credit limit, banks do not allow the credit and return the amount to the disbursement account of the Government. Further, in some cases banks are reported to have closed zero balance accounts unilaterally without intimating student beneficiaries concerned. Instances of banks refusing to open zero balance account for students have also been brought to our notice.

3. As directed by the Bombay High Court, banks are hereby advised to ensure that accounts of all student beneficiaries under the various Central/State Government Scholarship Schemes are free from restrictions of 'minimum balance' and 'total credit limit'.

4. Please acknowledge receipt.

Yours faithfully,

(Sudarshan Sen)  
Chief General Manager-in-Charge

□ बैंकिंग परिचालन और विकास विभाग, केंद्रीय कार्यालय, 12 वी मंजिल, केंद्रीय कार्यालय भवन, शहीद भगतसिंह मार्ग मुंबई 400001  
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हिंदी आसान है, इसका प्रयोग बढ़ाएँ