

RBI/2005-06/399
RPCD.CO.RF.BC.No 87/07.38.01/2005-06

June 6, 2006

All State and District Central Co-operative Banks

Dear Sir,

Opening of savings bank accounts in the name of certain bodies/organisations

Please refer to our Circular RPCD No. RF.Dir. BC. 30/07.38.01/2000-01 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, clause 5 (ii) (g) of our directive RPCD.No.Dir.BC.29/07.38.01/2000-01 dated October 17, 2000 enclosed with our circular under reference, has been amended.

3. An amending directive RPCD.RF.Dir.5516/07.38.01/2005-06 dated June 6, 2006 is enclosed.

4. Please acknowledge receipt to our Regional Office concerned.

Yours faithfully,

(G.Srinivasan)
Chief General Manager

June 6, 2006

Opening of savings bank accounts in the name of certain bodies / organisations

In exercise of the powers conferred by Sections 21 and 35A of the Banking Regulation Act, 1949 (As Applicable to Co-operative Societies) and in modification of its Directive RPCD.No. RF.Dir. BC. 29/07.38.01/2000-01 dated October 17, 2000, the Reserve Bank of India, being satisfied that it is necessary and expedient in the public interest so to do, hereby directs that clause (ii) (g) of paragraph 5 of the aforesaid directive shall be substituted by following with immediate effect.

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 RPCD.No.RF.Dir. BC.53/D.1-87/88 dated November 2, 1987 shall remain unchanged.

(V.S.Das)
Executive Director