

**PSBs can now open Savings Accounts  
In the Name of Zilla Parishads/Gram Panchayats**

**February 21, 2000**

The Reserve Bank of India has now allowed public sector banks to open savings bank accounts in the name of Zilla Parishads/Gram Panchayats in respect of funds released for implementation of various rural development/welfare programmes and/or subsidy/margin-money linked programmes sponsored by the State Governments/Government of India.

The Reserve Bank earlier this year had allowed public sector banks to open savings bank accounts in the name of Collector/District Magistrate/District Commissioner in respect of funds released for implementation of Member of Parliament Local Area Development Scheme (MPLADS) where the works under the scheme are executed through Planning Department of the State Government. Public sector banks were also allowed to open savings bank account under MPLADS scheme in the name of District Rural Development Agency (DRDA). Public sector banks can now open savings bank accounts in the name of Zilla Parishads/Gram Panchayats in respect of funds released for implementation of any rural development/welfare programmes sponsored by the state governments and central government.

**Alpana Killawala  
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