



**भारतीय रिज़र्व बैंक**

**RESERVE BANK OF INDIA**

वेबसाइट : [www.rbi.org.in/hindi](http://www.rbi.org.in/hindi)

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## **RBI invites Second Tranche of Applications for Financial Assistance from Depositor Education and Awareness Fund**

The Reserve Bank of India has invited second tranche of fresh applications for registering institutions, organisations and associations for grant of financial assistance from the Depositor Education and Awareness (DEA) Fund.

The Reserve Bank has also revised provisions relating to the conditions required to be fulfilled by eligible entities, and some of the aspects relating to the procedure for decision of the Committee (paragraphs II.3 (b), II.3(c), and II.9(A)(2) of the guidelines on the criteria) have been modified based on the experience gained in evaluation of 90 applications received by the Reserve Bank of India in the first tranche. The revised guidelines are given in Annex-I.

The Reserve Bank of India had released on its website on January 9, 2015, Guidelines on the Criteria for registering institutions, organisations and associations for grant of financial assistance from the Depositor Education and Awareness Fund (DEA Fund). Based on the scrutiny of applications received, 20 entities were found suitable for registration. With a need to widen and deepen depositor awareness efforts, it has now decided to call for the second tranche of fresh applications.

### **How to apply?**

Eligible entities may apply in the prescribed format given as Annex-II along with necessary documents/information as per the list of documents indicated in the application form, to The Chief General Manager, Department of Banking Regulation, Reserve Bank of India, Central Office, 12th Floor, Central Office Building, Shahid Bhagat Singh Road, Mumbai – 400001 on or before close of business as on January 8, 2016. Entities, which had submitted their applications for registration in the first tranche in terms of the Press Release dated January 9, 2015, are not eligible to apply for registration in the second tranche.

### **Background**

Pursuant to The Banking Laws (Amendment) Act, 2012, Section 26A has been inserted in the Banking Regulation Act, 1949. The Section empowers the Reserve Bank to establish a fund called Depositor Education and Awareness Fund (DEA Fund). Accordingly the Reserve Bank of India, placed on its website, the draft Depositor Education and Awareness Fund Scheme, 2014 (Scheme) for public consultation on January 21, 2014. Based on the comments and suggestions received on the draft criteria, the Scheme was formulated and notified in the Official Gazette

on May 24, 2014. The Scheme envisages registration of institutions, organisations or associations and grant of financial assistance to them for promotion of depositors' interests. The Reserve Bank then formulated draft criteria for registering institutions, organisations and associations for grant of financial assistance from the DEA Fund under the Scheme were formulated and released for public comments on October 28, 2014. Based on comments and suggestions received on draft criteria, guidelines on the criteria for registering institutions, organisations and associations for grant of financial assistance from the DEA Fund were finalised and placed on the Reserve Bank's website on January 9, 2015.

**Press Release : 2015-2016/858**

**Alpana Killawala**  
Principal Chief General Manager

<b>Related Press Releases</b>	
Oct 01, 2015	<a href="#">RBI releases list of approved applicants for Registration of Institutions, Organisations and Associations for grant of Financial Assistance from the Depositor Education and Awareness Fund (DEA Fund)</a>
Jan 09, 2015	<a href="#">RBI releases Guidelines on Criteria for Institutions, seeking Financial Assistance from the Depositor Education and Awareness Fund</a>
Oct 28, 2014	<a href="#">RBI seeks Public Comments on Criteria for Institutions seeking Financial Assistance from Depositor Education Fund</a>
Jan 21, 2014	<a href="#">Draft Depositor Education and Awareness Fund Scheme</a>
Jan 21, 2014	<a href="#">RBI seeks Public Comments on Depositor Education and Awareness Fund Scheme</a>

## **Guidelines on the Criteria for registering institutions, organisations and associations for grant of financial assistance from the Depositor Education and Awareness Fund**

### **I. Background**

Pursuant to The Banking Laws (Amendment) Act, 2012, [Section 26A](#) has been inserted in the Banking Regulation Act, 1949 that empowers the Reserve Bank to establish a fund called Depositor Education and Awareness Fund (Fund). Accordingly the Reserve Bank of India, placed on its website, the draft Depositor Education and Awareness Fund Scheme for public consultation on January 21, 2014. Based on the comments and suggestions received on the draft criteria, the Depositor Education and Awareness Scheme, 2014 (Scheme) was formulated and notified in the Official Gazette on May 24, 2014.

2. The Fund has been created and all banks (Scheduled Commercial Banks including Regional Rural Banks and Local Area Banks /Urban Co-operative Banks / State Co-operative Banks /District Central Co-operative Banks) have been advised to transfer inoperative deposit accounts which have not been claimed or operated for a period of ten years or more or any deposit or any amount remaining unclaimed for more than 10 years to the Fund as mentioned in paragraph 3(vii) of the Scheme, banks shall transfer to the Fund the amounts becoming due in each calendar month (i.e. proceeds of the inoperative accounts and balances remaining unclaimed for ten years or more) as specified in the Scheme and the interest accrued thereon on the last working day of the subsequent month.

3. The Fund shall be utilised for promotion of depositors' interest and for such other purposes which may be necessary for the promotion of depositors' interests as specified by the Reserve Bank from time to time. The depositor would, however, be entitled to claim from the bank his deposit or operate his account after the expiry of ten years, even after the unclaimed deposit funds have been transferred to the Fund. The bank would be liable to pay the deposit amount to the depositor and claim refund of such amount from the Fund.

4. Paragraph 8(i) of the Scheme requires a Committee to be formed to administer and manage the Fund in accordance with the Scheme. Paragraph 11(i) of the Scheme states that for promotion of depositors' interests, the Committee may register/recognise from time to time various institutions, organisations or associations, engaged in activities relating to depositor awareness and education, including those proposing to conduct programmes for depositors of banks, organising seminars and symposia for depositors and undertaking projects and research activities relating to these areas. Further, Paragraph 11(iii) of the Scheme states that the Committee shall determine and lay down the criteria for grant of financial assistance to institutions, organisations and associations. Accordingly the draft criteria for registering institutions, organisations and

associations for grant of financial assistance from the Fund under the Scheme were formulated and released for public comments on October 28, 2014. Based on the comments and suggestions received on the draft criteria, the following guidelines for the Criteria for registering institutions, organisations and associations for grant of financial assistance from the Fund were finalized and placed on the Bank's website on January 9, 2015. Based on the experience gained in the first tranche, It has been decided to effect certain changes in paras 3 (b), 3(c) and 9(A)(2) of the existing Guidelines. The revised Guidelines are as under.

## **II. Guidelines**

### **1. Entities eligible for Registration**

A. The following entities will be considered for registration

The institutions/ organisations/ associations already engaged in activities relating to bank depositors' education and awareness or proposing to take up depositors' education programmes, organising seminars, symposia, etc., including research activities, can be considered for assistance.

B. The institutions/ organisations/ associations may be

- (a) constituted as a public charitable trust,
- (b) Registered under the Societies Registration Act, 1860 (21 of 1860) or under any law corresponding to that Act in force in any part of India;
- (c) Registered under the State Co-operative Societies Acts
- (d) Registered under section 25 of the Companies Act, 1956 (1 of 1956) or Section 8 of the Companies Act, 2013 (8 of 2013);
- (e) A University established by law;
- (f) Any other educational institution recognised by the Government or by any University established by law or affiliated to any University established by law;
- (g) An institution wholly or partly financed by the Government or a local authority; or
- (h) A Regimental Fund or Non-Public Fund established by the armed forces of the Union for the welfare of past or present members of such forces or their dependants.

### **2. Objectives**

To grant financial assistance to institutions/ organisations/ associations for taking up activities relating to promoting bank depositors' education and awareness or taking up depositors' education programmes, organising seminars, symposia, etc., including research activities.

### **3. Conditions required to be fulfilled by Eligible entities**

- a. The institutions/ organisations/ associations shall have rules, regulations and or bye-laws for the governance and management of the institutions/ organisations/

associations. These rules, regulations and/ or bye-laws should be in conformity with the conditions of registration. The institutions/ organisations/ associations shall be managed by a Governing Board/Management Committee. Further, the bye-laws or objectives of the institution/organisation/association should not contain any provision for spending their income or assets for purposes other than “charitable purposes”.

- b. The institutions/ organisations/ associations shall have minimum number of members as required under the applicable laws under which these have been formed. These should have a clean track record. For companies registered under Section 25 of the Companies Act, 1956 or Section 8 of the Companies Act, 2013, besides the requirement of minimum shareholders/ members, it is necessary for it to have a well-diversified shareholding, at least 3 independent directors, good corporate governance and audit committee. This requirement can be applied at the level of the applicant company or its promoter company.
- c. The institutions/ organisations/ associations, shall unless specific exemption has been made in this regard by the Committee, be in existence for a minimum period of 5 years prior to date of application for registration. Out of these 5 years, the entities should have track record of the last 3 years in the area of consumer protection/awareness, financial literacy with at least one programme in consumer protection/awareness, financial literacy conducted during the immediately preceding financial year.

#### **4. Scope of activities**

The scope of activities for which financial assistance would be provided by the Depositor Education and Awareness Fund are as follows:

- i. Conducting programmes/events for educating or spreading awareness among the excluded sections of the society, about benefits of financial literacy, information about various products available on various channels explaining the procedure/formalities, etc., for enrolment and actual opening of accounts in association with recognised Depositors’ associations/ NGOs etc.
- ii. Holding seminars and symposia for depositors/ depositors’ associations for imparting financial literacy including safe and secure banking.
- iii. Funding projects and research activities relating to depositors’ education, rights awareness, etc.
- iv. Production/ Procurement of material for distribution at exhibitions, seminars, town hall events, outreach programmes conducted for depositors’ awareness.
- v. Running Media Campaigns on financial literacy, customer protection, etc.
- vi. Other consumer protection/awareness related programmes.

This is only an indicative list in terms of Section 26A(4) of the BR Act, 1949 and the Reserve Bank may consider such other activities which it may deem necessary for furthering the objectives of the Fund from time to time

## **5. Project plan and financial assistance**

A registered institution/ organisation/ association, having a viable project /proposal on Bank Depositors' Education and Awareness, may be eligible for assistance from the Fund. The registered entities may apply for financial assistance giving details of their proposed projects including the estimated cost of the project and the assistance required.

Institutions or organizations or associations registered/ recognized by the Committee may be considered for grant-in-aid as a onetime measure or in stages by way of reimbursement, depending upon the nature of activity proposed.

## **6. Other conditions**

- a. The institution/ organization/ association should not be for the benefit of any particular individual, religion, community, or caste.
- b. The institutions/ organizations/ associations should undertake that they will utilize the money received from the Fund only for the activities permitted by the Reserve Bank/Fund and expenses incidental thereto, and not for any other purpose.
- c. The institutions/ organizations/ associations should undertake to make available to the Fund/Reserve Bank/representative of the Reserve Bank all books and accounts kept by them with regard to the grants received from the Fund and the method of expenditure of the same.
- d. The institutions/ organizations/ associations, who have received financial assistance from the Fund, shall submit a report certified by a Chartered Accountant regarding the expenditure made by them for depositor education and awareness activities.

## **7. Monitoring**

The activity of the institutions/ organisations/ associations shall be monitored, post-registration. If the activities of the registered institutions/ organisations/ associations are not in conformity with the activities permitted by the Reserve Bank, then the Committee will deregister the institution/ organisation/ association and the decision of the Committee in this regard will be final. In respect of the funds granted, the Committee may take such action as it deems fit in the interests of the Fund, including legal action, as and when considered necessary.

## **8. Procedure for application**

An application has to be made in the prescribed format which has been placed at [Annex-II](#). In addition, the applicants would be required to furnish the requisite document/ information in support of their shareholding pattern, membership, financial statements, list of sanctions/grants received from State/Central Govt. during the last three years,

etc., as per the list of documents indicated in the application form. Applications for registration along with other details should be addressed to:

The Chief General Manager,  
Department of Banking Regulation,  
Reserve Bank of India, Central Office,  
12th Floor, Central Office Building,  
Shahid Bhagat Singh Road,  
Mumbai – 400001

In the second tranche, applications will be received at the above address till the close of business as on **January 08, 2016**. After gaining experience in dealing with registration, applications will be received on a continuous basis. However, these guidelines are subject to periodic review and revision.

## 9. Procedure for decision of the Committee

### A. The Committee at the time of Registration:

1. Will initially be screening the applications to ensure *prima facie* eligibility of the applicants and may apply additional criteria to determine the suitability of applications.
2. Will take into account the audited accounts and the annual reports of the last 3 years of the institution/ organization/ association seeking assistance from the Fund to evaluate the eligibility of such applicants and carry out a check on the other activities of such applicants.
3. May make such enquiries, as deem fit, with other authorities, including the Regional Offices of the Reserve Bank to determine whether the applicant is fit and proper for registration or not.
4. May entrust the preliminary screening of the applications to a Screening Committee, which may inter alia comprise members who are not members of the Committee.

### B. The Committee at the time of granting financial assistance:

1. Will examine the proposals and the proposed end use of grants and assistance before authorizing release of funds.
2. May call for information in respect of or verify in any manner, the end use of funds already granted to such institutions/ organisations/ associations.
3. May make such enquiries, as deem fit, with other authorities, including the Regional Offices of the Reserve Bank to satisfy itself that the proposed project is in furtherance of the objectives of the Scheme.

## **10. Registration and Grant of Financial Assistance**

- a. The registration of institutions/ organisations/ associations and consequently disbursement of funds will be a two-stage process and should be treated separately. After registration, funds will be disbursed on project basis, which will be a separate process.
- b. A registered institution/ organisation/ association, having a viable project /proposal on Depositors' Education and Awareness, may be eligible for assistance from the Fund. However, mere registration should not make any registered institution/ organization/ association automatically eligible for claiming financial assistance from the Fund.
- c. In order to ensure transparency, the names of registered institutions/ organisations/ associations will be placed on the RBI website.



**Application for Registration with the Reserve Bank for grant of financial assistance from  
the Depositor Education and Awareness Fund**

Sl. No.	Particulars	
1.	Name of the applicant	
2.	Category of the applicant (Trust/ Society/ Private Corporate/ Public Corporate/ University/ Other Educational Institution/ any other Institution/ Fund) and statute under which it is established	
3.	Registration No. & Date	
4.	Full Address of the Registered Office, along with name, designation, telephone No., fax No. and e-mail id of the Head as also the contact person of the applicant	
5.	Full Address and contact details of the Corporate Office, if different from the Registered Office, of the applicant	

6.	Details of shareholding by individuals and groups in the applicant entity. Mention relationship between them, if any.	
7.	Number of members/ shareholders of the applicant	
8.	Whether the applicant is managed by a Governing Board/ Management Committee?	
9.	Whether the objectives/ bye-laws of the applicant contain any provision for spending their income or assets for purposes other than "charitable purposes", and if yes, give details.	
10.	Whether the applicant has been formed for the benefit of any particular individual, religion, community, or caste, and if yes, give details.	

11.	Complete address of the locations where activities of the applicant were conducted during the last five years.	
12.	Whether the accounts of the applicant have been audited for the last three years and if yes, name of auditing agency, their contact details and the date of audits.	
13.	Whether the applicant has internal control system. If the applicant is a corporate, whether it has audit committee	
14.	Names and addresses of the regulators of the applicant and details of the regulatory actions against the main promoter by regulators in India or abroad during the last 3 years.	

15.	<p>a. Details of criminal/civil proceedings against the main promoters /shareholders if any.</p> <p>b. Number and status of complaints registered against the entity in last three years. Mechanism for resolving complaints.</p>	
16.	<p>Details of account no., bank and branch including credit facilities maintained in the name of the applicant</p>	
17.	<p>Name, designation, phone/mobile number and email of the nodal person for contact.</p>	

18. Major activities of the institution/ organisation/ association during the last 5 years:

Name and purpose of the activity	Year	Coverage			Expenditure incurred (in ₹ lakh)	How the expenditure was financed?
		Men	Women	Children		

19. Major activities of the institution/ organisation/ association during the last 5 years pertaining to Customer Education and protection:

Name and purpose of the activity	Year	Coverage			Expenditure incurred (in ₹ lakh)	How the expenditure was financed?
		Men	Women	Children		

20. Summary of financial status/statement of the institution/ organisation/ association for the last 3 years.

Year	Total Income/ Receipt (in ₹ lakh)	Total Expenditure/ Payment (in ₹ lakh)	Surplus (in ₹ lakh)	Deficit (in ₹ lakh)	How the surplus, if any, was appropriated or how the deficit, if any, was financed?

21. Details of grants received from Central Govt./State Govt./ other Govt. agencies/ other agencies during the last 3 years

Sanction Order No.	Date	Amount (in ₹ lakh)	Scheme	Address of funding agency	Purpose

22. Details of grants applied for but rejected by Central Govt./State Govt./ other Govt. agencies/ other agencies during the last 3 years:

Sanction Order No.	Date	Amount (in ₹ lakh)	Scheme	Address of funding agency	Purpose

23. Details of Foreign Contribution received during last 3 years:

Country	Organization	Purpose	Date	Amount (in ₹ lakh)	FCRA Registration No.

24. List containing details of the important office bearers of the institution/ organisation/ association, in the following format. Details of independent directors (in the case of companies) may be furnished separately in the following format :

S. No.	Name & Address	Sex (M/F)	Age	Designation	Qualification	Profession	Annual Income (in ₹ lakh)	Telephone No., (both land-line and mobile) and Fax No.	e-mail id

Certificate: I solemnly declare that the above informations are true in every respect.

Name and Signature (along with stamp) of the Secretary/ President of the institution/ organisation/ association

Place:

Date:

### **List of Documents (Certified copies)**

#### **I) In the case of Corporates**

- i) Brief history/background of the corporate.
- ii) An Organogram depicting the structure of the corporate.
- iii) Certificate of Incorporation along with Memorandum and Articles of Association, Rules, Regulations, objectives of the corporate.
- iv) Certificate of commencement of business in the case of public companies
- v) Certified copy of PAN and TAN allotment letter and IT assessment orders/ IT Returns for the last 3 years.
- vi) Details of promoters, management, their shareholding, details of their interest in other entities.
- vii) Details of promoter group entities/ sister concerns and percentage of shareholding.
- viii) Audited accounts and annual reports of the corporate for the last 3 years.
- ix) An undertaking signed by the Head of the corporate that it will utilise the money received from the Fund only for the activities permitted by the Reserve Bank/Fund and expenses incidental thereto, and not for any other purpose.
- x) An undertaking signed by the Head of the corporate that it will make available to the Fund/Reserve Bank/representative of the Reserve Bank all books and accounts kept by them with regard to the grants received from the Fund and utilization of the same.
- xi) A certificate signed by the Head of the corporate for engagement in consumer protection/awareness programmes in last 3 years.
- xii) Sanctioned orders of grants received from Central Govt. / State Govt. / other Govt. agencies/ other agencies during the last 3 years.



- xiii) Certified copy of the Registration Certificate under FCRA and supportive documents of details of Foreign Contribution received during last 3 years.
- xiv) List of names and branch addresses of all the bankers for the entity.
- xv) List of members/ shareholders of the corporate.
- xvi) Board Resolution for making an application to the Reserve Bank for registration
- xvii) Details of internal control system, audit committee and corporate governance

**II) In the case of applicants other than corporates (Trusts, Societies, Universities, Other Educational Institutes, Other Institutions, Funds, etc.)**

- i) Brief history/background of the institution/ organisation/ association.
- ii) An Organogram depicting the structure of the institution/ organisation/ association.
- iii) Certified Copy of the Certificate of registration along with Rules, Regulations, Bye-laws, objectives of the institution/ organisation/ association.
- iv) Details of members, management, their shareholding, details of their interest in other entities.
- v) Details of promoter group entities/ sister concerns and percentage of shareholding.
- vi) Certified copy of PAN and TAN allotment letter and IT assessment orders/ IT Returns for the last 3 years.
- vii) Audited accounts and annual reports of the institution/ organisation/ association for the last 3 years.
- viii) An undertaking signed by the Head of the institution/ organisation/ association that the institution/ organisation/ association will utilise the money received from the Fund only for the activities permitted by the Reserve Bank/Fund and expenses incidental thereto, and not for any other purpose.
- ix) An undertaking signed by the Head of the institution/ organisation/ association that the institution/ organisation/ association will make available to the Fund/Reserve Bank/representative of the Reserve Bank all books and accounts kept by them with regard to the grants received from the Fund and utilization of the same.

- x) A certificate signed by the Head of the institution/ organisation/ association for engagement in consumer protection/awareness programmes in last 3 years.
- xi) Sanctioned orders of grants received from Central Govt. / State Govt. / other Govt. agencies/ other agencies during the last 3 years.
- xii) Certified copy of the Registration Certificate under FCRA and supportive documents of details of Foreign Contribution received during last 3 years.
- xiii) List of names and branch addresses of all the bankers for the entity.
- xiv) List of members of the institution/ organization/ association.
- xv) Resolution for making an application to the Reserve Bank for registration.
- xvi) Details of internal control system