



DBOD.No.Leg.BC.158/C.90(H)-76

29 December, 1976

All Commercial Banks

Dear Sirs,

**Opening of Bank Accounts in the Names
of Minors with Mothers as Guardians**

It has been brought to our notice that considerable difficulty is being experienced by women customers in opening bank accounts in the names of minors, with mothers as their guardians. Presumably, the banks are reluctant to accept the mother as a guardian of a minor, while father is alive in view of section 6 of the Hindu Minority and Guardianship Act, 1956, which stipulates that the father alone should be deemed to be the guardian in such case. To overcome this legal difficulty and to enable the banks to open freely such accounts in the name of minors under the guardianship of their mothers, it has been suggested in some quarters that the above provisions should be suitably amended. While it is true that an amendment of the above Act may overcome the difficulty in the case of Hindus, it will not solve the problem for other communities as minors belonging to Muslim, Christian, Parsi Communities would still be left out unless the laws governing these communities are also likewise amended.

2. The legal and practical aspects of the above problem were, therefore, examined by us in consultation with the Government of India and we are advised that if the idea underlining the demand for allowing mothers to be treated as guardians relates only to the opening of fixed and savings bank accounts, there would seem to be no difficulty in meeting the requirements as, notwithstanding the legal provisions, such accounts could be opened by banks provided they take adequate safeguards in allowing operations in the accounts by ensuring that the minors' accounts opened with mothers as guardians are not allowed to be overdrawn and that they always remain in credit. In this way, the minors' capacity to enter into contract would not be a subject matter of dispute. If this precaution is taken, the banks' interests would be adequately protected. We shall therefore, be glad if you will kindly apprise all your branches of the position as stated above and instruct them to allow minors' accounts (fixed and savings only) with mothers as guardians to be opened, whenever such requests are received by them, subject to the safeguards mentioned above.

Yours faithfully,

Sd/-

P.R. Kulkarni
Deputy Chief Officer