

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF FINANCIAL SERVICES

**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 1498**

ANSWERED ON – 14/3/2023

**Definition of minor in banks**

1498. # **Shri Jugalsinh Lokhandwala:**

Will the Minister of FINANCE be pleased to state:

- (a) whether the banks are considering to reduce the age limit of minor to less than 18 years by changing the definition of Minor;
- (b) whether lowering this age limit from 18 years to 15 or 13 years would increase financial education and responsibility among children which would be beneficial for the country; and
- (c) the provision which contains the definition of Minor at present and the reason behind keeping the age limit of 18 years?

**ANSWER**

THE MINISTER OF STATE FOR FINANCE  
(DR. BHAGWAT KARAD)

(a) to (c): The 'minor' is defined in section 3(1) of the Majority Act, 1875 and section 4(a) of the Hindu Minority and Guardianship Act, 1956.

The Reserve Bank of India, to promote the objectives of financial inclusion and also to bring uniformity among banks in opening and operating minors' accounts, has issued guidelines on 6.5.2014 regarding 'Opening of Bank Accounts in the names of Minors' as under:

- (i) A savings /fixed / recurring bank deposit account can be opened by a minor of any age through his/her natural or legally appointed guardian.
- (ii) Minors above the age of 10 years may be allowed to open and operate savings bank accounts independently, if they so desire. Banks may, however, keeping in view their risk management systems, fix limits in terms of age and amount up to which minors may be allowed to operate the deposit accounts independently. They can also decide, in their own discretion, as to what minimum documents are required for opening of accounts by minors.
- (iii) On attaining majority, the erstwhile minor should confirm the balance in his/her account and if the account is operated by the natural guardian / legal guardian, fresh operating instructions and specimen signature of erstwhile minor should be obtained and kept on record for all operational purposes.

Further, banks, subject to the safeguards, are free to offer additional banking facilities like internet banking, ATM/ debit card, cheque book facility etc.

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