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## 1. Objective & Scope

The deceased claim policy document describes the process of payment of balance available in the account of deceased account holder to the claimant / legal heir/ nominee/ survivor.

It also includes the process of releasing the contents of locker of the deceased account holder and the process of treatment of account upon the receipt of information of death of an account holder or the account holder is missing.

This process is in line with RBI Circular ref. DBR No.Leg.BC.21/09.07.006/2015-16 dated July 1, 2015 as amended from time to time and Revised Model Operational Procedure (MOP) of Indian Bank Association (IBA) released in April 2014.

## 2. Guidance to the customers on advantages of nomination facility / survivorship mandate

### 2.1 Nomination facility

- Nomination Facility — an ideal tool to mitigate hardships of common persons in settlement of claims in the event of death of the account holder.
- Nomination facility simplifies the procedure for settlement of claims of deceased depositors as banks get a valid discharge by making payment of the balance outstanding in a depositor's account at the time of his death or delivering contents of locker or articles kept in safe custody to the nominee on identification of nominee and against receipt. Nomination of a deposit account enables the bank to make payment of the amount standing to the credit of the deceased depositor to his/her nominee.
- Nomination is optional for bank customers. It is therefore necessary that nomination facility is popularized and customers are made aware of its advantages while opening a deposit account or opting for the lockers.
- In case of a joint deposit account, the nominee's right arises only after the death of all the depositors.
- Branches should inform account holder about the availability of nomination as a voluntary facility and recommend his/her availing the option. Nomination facility, if availed, would ensure smooth settlement of claim to the nominee.
- It should also be made clear to the depositor(s) that nomination is introduced solely for simplifying the procedure for settlement of claims of deceased depositors and nomination facility does not take away the rights of legal heirs on the estate of the deceased. The nominee would be receiving the stock (amount) from the bank as a trustee of the legal heirs.
- Payment by the bank in accordance with the provisions of section 45ZA of Banking Regulation Act, 1949, shall constitute a full discharge to the bank of its liability in respect of the deposit.
- After receiving of duly completed form of nomination, cancellation and variation of the nomination. Such acknowledgement shall be given to all the customers irrespective of whether the same is demanded by the customers or not.

## 2.2 Survivorship

- A joint account opened as "Either or Survivor" or "Anyone or Survivors" or "Former or Survivor" or "Latter or Survivor" will permit the surviving account holder(s) to have unimpeded access to credit balance in the account for withdrawal if one of the co-account holders dies.
- If the mandate of survivorship is given/ provided, the survivor(s) can give a valid discharge to the bank in the case of "Either or Survivor"/ "Anyone or Survivors" and "Former or Survivor" / "Latter or Survivor" joint accounts.
- In short, payment to survivor(s) can be made in the normal course subject to the only rider that there is no order from a competent court restraining the bank from making such payment.

## 2.3 Customer Guidance and Publicity:

IBA's Model Operational Procedure (MOP) for settlement of claims of deceased depositors has been suggested with a view to removing hardships faced by common persons in settlement of claims in respect of the accounts of the deceased depositors. This document also aims at creating greater awareness amongst depositors about the advantages of availing "nomination" facility offered by bank or giving mandates for survivorship like "Either or Survivor" etc. when accounts are opened in joint names.

Branches should provide guidance to deposit account holders/ locker-hirers/ depositors of safe custody articles on the advantages of the nomination facility and the survivorship clause and induce them to avail these facilities. It should also be clarified to the joint account holders that, in the event of the death of one of the joint account holders, the right to the deposit proceeds does not automatically devolve on the surviving joint deposit account holder/s, unless there is a survivorship clause.

Marketing & Publicity Department shall highlight the benefits of nomination facility / survivorship clause in the publicity materials.

## 3. Settlement of claims in various types of accounts / facilities

### 3.1. Availability of claim forms

As per RBI circular No. RBI/2013-14/214 DBOB. No. Leg. BC 48/09/07. 005/2013-14 dated 03.09.2013 "with a view to facilitate settlement of claims on the death of a depositor, banks are advised to provide claim forms for settlement of claims of the deceased accounts to any person/s who is/are approaching Bank/branches for forms." Therefore, all branches of the Bank will provide claim forms to the person approaching the branch in this respect.

### SUVIDHA: Deceased Claim Settlement System (DCSS)

On Recommendations of Committee for Review of Customer Service Standards in RBI, given vide RBI Report dated 05.06.2023, Regulated Entities (Res) to obviate the need for visits to the branches/ RE premises, by the nominee/ heirs, the process for settling deceased claims may also be made available on-line. The on-line facility may provide for submission of all the required documents and their verification. A system of generating digital reference upon submission of the claim and supportive documents may be made available. In this regard, bank has developed SUVIDHA PORTAL. Ownership of Suvidha portal will be with operations department. Department will ensure proper functioning and monitoring of the portal in coordination with Information Technology Department.

An application named “SUVIDHA- Deceased Claim Settlement System (DCSS)” has been developed for the ease of claimant/s to intimate about the claim to the bank without visiting the branch. The claim forms are also available on banks website as annexure to Deceased Claim Policy, which shall enable the claimants of the deceased depositor to access and download the same for filing the claim with the Bank.

The branches, Zonal offices and Head office shall follow this Centralized Solution named SUVIDHA. All the applications for deceased claim irrespective of the delegation of the claim settlement, shall mandatorily be entered into SUVIDHA Portal with generation of unique reference number, based on which TAT shall be monitored by Branch, Zonal offices and Head office to maintain the same within the prescribed regulatory guidelines. The analysis shall be placed accordingly before the Customer Service Committee for the information of review.

**Therefore, all field functionaries are advised to ensure strict compliance and process the deceased claims through SUVIDHA: Deceased claim settlement system portal only.**

### 3.2. Single Account with or without nomination

Sr. No.	Account Type	With Nomination	Without Nomination
1.	<b>Savings Account / Current Account</b>	The <b>balance outstanding*</b> will be paid to the nominee on verification of his/her identity (such as Election ID Card, PAN Card, Passport, Aadhaar Card etc.) and proof of death of depositor & against receipt.	The <b>balance outstanding*</b> will be paid to the legal heirs (or any one of them as mandated by all of the legal heirs) on verification of the authority of the legal heirs and proof of death of depositor & against receipt.
2.	<b>Term Deposit Account</b>	The <b>balance outstanding*</b> will be paid to the nominee on verification of his/her identity (such as Election ID Card, PAN Card, Passport, Aadhaar Card etc.) and proof of death of depositor on maturity of deposit & against receipt.	The <b>balance outstanding*</b> will be paid to the legal heirs (or any one of them as mandated by all the legal heirs) on verification of the authority of the legal heirs and proof of death of depositor on maturity of deposit & against receipt.
3.	<b>Premature termination of Term Deposit</b>	Premature termination of term deposit account will be permitted at the request of the nominee on verification of his/her identity (such as Election ID Card, PAN Card, Passport, Aadhaar Card etc.) and proof of death of depositor.	Premature termination will be permitted on joint request by all legal heirs (or any of them as mandated by all the legal heirs) on verification of the authority of the legal heirs and proof of death of depositor.
4.	<b>Safe Locker Deposit</b>	The nominee will be allowed to access the locker and remove the contents on identification (such as Election ID Card, PAN Card, Passport, Aadhaar Card etc.) and verification of proof of death of locker hirer.  Before permitting the nominee to remove contents of the Safe Deposit Locker, the branch should prepare an inventory of the articles in the presence of nominee(s) and two independent witnesses. Form	Legal heir(s) of the deceased locker hirer or a person mandated by the legal heir(s) will be allowed to access the locker and remove the contents on verification of proof of death of locker hirer. The legal heir(s) will have to produce documents to establish his / their identity.  Before permitting legal heir(s) to remove contents of the Safe Deposit Locker the branch should prepare an inventory of the articles in

Sr. No.	Account Type	With Nomination	Without Nomination
		for taking inventory is enclosed as <b>Annexure 16 in SOP</b> .  Settlement of claims in respect of Return of Articles in safe Deposit Lockers/ safe custody articles in case nominee is minor has been detailed in <b>Appendix-1 (Point 2)</b>	the presence of legal heir(s)/mandate holder and two independent witnesses. Form for taking inventory is enclosed as <b>Annexure 17 in SOP</b> .
5	<b>Safe Deposit Article/S</b>	The procedure for settlement of claim for the Safe Custody Articles is same as Safe Deposit Lockers.	
6	<b>Gold Loan Account</b>	The jewels pledged by the borrower can be returned to the nominee on verification of his/her identity (such as Election ID Card, PAN Card, Passport, Aadhaar Card etc.) and proof of death of borrower & against clearance of all dues standing in his/her Account.	The jewels pledged by the borrower can be returned to the legal heirs (or any one of them as mandated by all the legal heirs) on verification of the authority of the legal heirs and proof of death of borrower & against clearance of all dues standing in his/her Account.

### 3.3. Joint Account with or without nomination or without survivorship mandate (operated jointly)

Sr. No.	Account Type	With Nomination	Without Nomination
1.	<b>Joint Savings Account / Joint Current Account</b>	In the event of death of one (or more but not all) of the joint account holders, the <b>balance outstanding*</b> will be paid jointly to survivor(s) and the legal heirs against their joint claim on verification of the authority of the legal heirs and proof of the death of the depositor and against receipt.	In the event of death of one (or more but not all) of the joint account holders, the <b>balance outstanding*</b> will be paid jointly to survivor(s) and the legal heirs of the deceased account holder(s) (or any one of them as mandated by all the legal heirs) against their joint claim on verification of the authority of legal heirs and proof of death of depositor.
		In the event of death of both / all joint account holders, the balance outstanding at the time of death of the	In the event of death of both/ all joint account holders, the balance outstanding

Sr. No.	Account Type	With Nomination	Without Nomination
		depositors will be paid to the nominee on verification of his/her identity (such as Election ID Card, PAN card, Passport, Aadhaar Card etc.) and proof of death of depositors & against receipt.	will be paid jointly to the legal heir(s) of all the deceased depositors (or any of them as mandated by all the legal heirs) on verification of authority of the legal heirs and proof of death of the depositors.
2.	<b>Joint Term Deposit Account</b>	In the event of death of one (or more but not all) of the joint account holders, the <b>balance outstanding*</b> will be paid jointly to survivor(s) and the legal heirs of the deceased joint account holder(s) (or any one of them as mandated by all the legal heirs) on verification of identity of the legal heirs and proof of death of the depositor on maturity of the deposit.	In the event of death of one (or more but not all) of the joint account holders, <b>the balance outstanding*</b> will be paid jointly to the survivor(s) and the legal heir(s) of the deceased joint account holders (or any of them as mandated by all the legal heirs) against their joint claim on verification of authority of the legal heirs and proof of death of the depositor on maturity of the deposit.
		In the event of death of both / all the joint account holders, the <b>balance outstanding*</b> at the time of death of the depositors will be paid to the nominee on verification of his/her identity (such as Election ID Card, PAN Card, Passport, Aadhaar Card etc.) & the proof of death of depositors on maturity of the deposit.	In the event of death of both / all the joint account holders, the <b>balance outstanding*</b> will be paid jointly to the legal heirs of all the deceased depositors (or any one of them as mandated by all legal heirs) on verification of authority of the legal heirs and proof of death of depositors on the maturity of the deposit.
3.	<b>Premature termination of Joint Term Deposit Account</b>	In the event of death of one (or more but not all) of the joint account holders, premature termination will be permitted against joint request of the survivor(s) and the legal heir(s) (or any one of them as mandated by all legal heirs) on verification of identity of the legal heirs and proof of death of depositor.	In the event of death of one (or more but not all) of the joint account holders, premature termination will be permitted against joint request by the survivor(s) and the legal heir(s) of all the deceased depositors (or any one of them as mandated by all legal

Sr. No.	Account Type	With Nomination	Without Nomination
			heirs) on verification of authority of legal heirs and proof of death of depositor.
		In the event of death of both / all the joint account holders, premature termination of deposit account will be permitted at the request of the nominee on verification of his/her identity (such as Election ID Card, PAN Card, Passport, Aadhaar Card etc.) and proof of the death of the depositors.	In the event of death of both / all the joint account holders, premature termination will be permitted against joint request by all legal heirs of the deceased depositors (or any one of them as mandated by all legal heirs) on verification of authority of legal heirs and proof of death of depositors.
4.	<b>Joint Safe Deposit Locker</b>	In the event of the death of one (or more but not all) of the joint locker hirers the nominee(s) will be jointly allowed to access the locker and remove the contents on identification and verification of proof of death of the locker hirer(s) along with the surviving hirer(s).	In the event of death of one or more but not all) of the locker hirers, the surviving hirer(s) and legal heirs of the deceased hirer (or a person mandated by them) would be allowed to access the locker and remove the contents on verification of authority of legal heirs and proof of death of the hirer.
		In the event of death of both / all joint locker hirers the nominee(s) will be allowed to access the locker and remove the contents on establishing his/her/their identity and verification of proof of the death of the hirers.	In the event of death of both / all the joint locker hirers, all the legal heirs (or any one of them as mandated by all legal heirs) would be allowed to access the locker and remove the contents on verification of authority of legal heirs and proof of death of the locker hirers.

Sr. No.	Account Type	With Nomination	Without Nomination
		Before permitting surviving hirer(s) and/or nominee(s) to remove contents of the Safe Deposit Locker, the bank would prepare an inventory of the articles in their presence along with two independent witnesses. Form for taking inventory is enclosed as <b>Annexure 16 in SOP</b> .	Before permitting surviving hirers and mandated legal heir(s) to remove contents of a Safe Deposit Locker, the bank would prepare an inventory of the articles in the presence of surviving hirers, mandated legal heir(s) and two independent witnesses. Form for taking inventory is enclosed as <b>Annexure 17 in SOP</b> .
5.	<b>Joint Safe Deposit article/s</b>	Generally safe custody articles are not accepted in joint names. Even if accepted in joint names nomination facility is not provided.	

**3.4. Joint account with mandate "Either or Survivor"/"Former or survivor"/ "Anyone or Survivors"/ "Latter or Survivor" - with or without nomination:**

Sr. No.	Account Type	With Nomination	Without Nomination
1.	<b>Joint Savings Account / joint Current Account</b>	In the event of death of one (or more but not all) of the depositors, the <b>balance outstanding*</b> will be paid to survivor(s) on verification of proof of death of the depositor.	In the event of death of one (or more but not all) of the depositors, the <b>balance outstanding*</b> will be paid to survivor(s) on verification of proof of death of the depositor.
		In the event of death of both/all the joint depositors, the <b>balance outstanding*</b> will be paid to the nominee on verification of his/her identity (such as Election ID Card, PAN Card, Passport, Aadhaar Card etc.) and proof of death of depositors.	In the event of death of both/all the joint depositors, the <b>balance outstanding*</b> will be paid jointly to the legal heirs (or any one of them as mandated by all the legal heirs) on verification of authority of legal heirs and proof of death of depositors.

Sr. No.	Account Type	With Nomination	Without Nomination
2.	Joint Term Deposit Account	In the event of death of one (or more but not all) of the depositors, the <b>balance outstanding*</b> will be paid to survivor(s) on verification of proof of death of the depositors on maturity of deposit or as agreed at the time of opening of deposit.	In the event of death of one of the depositors (or more, but not all), the <b>balance outstanding*</b> will be paid to the survivor(s) on verification of proof of death of the depositor on maturity of deposit or as agreed at the time of opening of deposit.
		In the event of death of all joint depositors, the <b>balance outstanding*</b> will be paid to the nominee on verification of his/her identity (such as Election ID Card, PAN Card, Passport, Aadhaar Card etc.) and proof of death of depositors on maturity of deposit or as agreed at the time of opening of deposit.	In the event of death of all joint depositors, the <b>balance outstanding*</b> will be paid to the legal heir(s) of all the deceased depositors (or any one of them as mandated by all the legal heirs of joint holders) on verification of authority of legal heirs and proof of death of depositors on maturity of deposit.
3.	Premature termination of joint Term Deposit	In the event of death of one (or more but not all) of the joint account holders, the <b>balance outstanding*</b> will be paid jointly to survivor(s) and the legal heirs of the deceased joint account holder(s) (or any one of them as mandated by all the legal heirs & survivor(s)) on verification of identity of the legal heirs and proof of death of the depositor.	In the event of death of one (or more but not all) of the joint account holders, the <b>balance outstanding*</b> will be paid jointly to survivor(s) and the legal heirs of the deceased joint account holder(s) (or any one of them as mandated by all the legal heirs & survivor(s)) on verification of identity of the legal heirs and proof of death of the depositor.
		In the event of death of all the joint depositors, the nominee will have right to seek premature termination of term deposit account and on submission of his/her identity (such as Election ID Card, PAN Card, passport, Aadhaar Card etc.) and proof of death of depositors.	In the event of death of all joint depositors, premature termination will be permitted against joint request by all legal heirs of the deceased depositors (or any one of them as mandated by all the legal heirs) on

Sr. No.	Account Type	With Nomination	Without Nomination
			verification of authority of legal heirs and proof of death of depositors.
4.	<b>Joint Safe Deposit Locker</b>	At present B R Act (Section 45 ZE) does not provide nomination facility in respect of lockers with "Either or Survivor" / "Former or Survivor"/"Anyone or Survivors"/ "Latter or Survivor" mandate. Hence operational instructions are not given in this regard.	In the event of death of one (or more but not all) of the joint hirers, the surviving hirer(s) will be allowed to access the locker and remove the contents on verification of proof of death of the joint hirer(s).
			In the event of death of all the locker hirers, all the legal heirs of the deceased joint hirers (or any one of them as mandated by all legal heirs) would be allowed to access the locker and remove the contents on verification of the authority of legal heirs and proof of death of the locker hirers.
			Before permitting the surviving hirers/legal heir(s) to remove contents of a Safe Deposit Locker, the bank would prepare an inventory of the articles in the presence of surviving hirers/legal heirs and two independent witnesses. Form for taking inventory is enclosed as Annexure -17 in SOP.
5	<b>Safe Deposit Article/s</b>	Generally safe custody articles are not accepted in joint names. Even if accepted in joint names nomination facility is not provided.	

\* Balance outstanding includes principal amount plus interest. For interest calculation refer para 5.4.1 & 5.4.2 along with prevailing deposit policy in vogue.

### **3.5 Safe Deposit Locker - Procedure in case there is no Nomination / survivorship clause:**

Procedure for settlement of claims of Safe Deposit locker accounts having no nomination / survivorship clause has been detailed in

#### **Appendix-1.**

Number of deceased claims pertaining to locker accounts/Safe custody article accounts and claims pending beyond stipulated TAT shall be reported to Bank's Customer Service Committee of Board on quarterly basis.

Bank's Customer Service Committee of Board shall ensure timely settlement of claims unless any litigation is pending before Court or true claimant is not identified.

### 3.6 Deceased Claim settlement of HUF Accounts- Death of Karta

In the event of death of a Karta, HUF account may be settled as under:

#### a. HUF continued with new Karta

Obtaining affidavit cum indemnity from surviving members of HUF and legal heirs with two guarantors confirming their acceptance to one of the members as a new Karta. New Karta shall be allowed to continue to operate the existing account on the basis of such documents.

#### b. HUF cease to exist

Similar procedure should be followed in cases where account is to be closed and balance in the account to be paid to the new Karta.

HUF is a separate legal entity with perpetual succession. Therefore, for settlement of the claims for HUF accounts in the event of death of a Karta, no legal representation in the form of Succession Certificate etc. is required.

### 3.7 Release of Movable / Immovable Property Documents to the legal heirs on Repayment / Settlement of loan

In adherence to the RBI directive, banks are obligated to adhere to the guidelines outlined for the release of movable and immovable property documents after loan repayment or settlement.

Bank has issued comprehensive guidelines for the same. All are required to comply with the Standard Operating Procedure for the Release of Movable/Immovable Property Documents upon loan repayment, as communicated by the Credit Monitoring Department through Circular No AX1/CrMon/Cir-26/2023-24 dated December 1, 2023. Any subsequent changes in this regard if any, shall also be followed.

### 3.8 SURETIES

Bank insists for sureties for settlement of claim which is not supported by legal representation in respect of deceased depositors for claim above Rs. 1 lakh & in respect of missing depositors for claim above Rs.0.50 Lakh.

Credit worthiness of the sureties play very vital role in deciding settlement of such claims. Normally, two sureties having aggregate net worth twice the amount of the claim should be obtained. The sureties should furnish their detailed information in the prescribed form, Annexure 5 in SOP, along with the supporting papers in proof of the information provided. Any additional details/ information/ documents are required by the bank for verification / confirmation of the net worth of the sureties, they should be called for. Sureties, who are the relatives (Any person who is related to him or her by blood or marriage or adoption) of the deceased, may be accepted, provided they are not directly involved as claimants or legal heirs and are considered individually or jointly good for the amount involved. If one surety is considered good for the amount by the Bank, second surety is not necessary. The sureties have to sign the Letter of Indemnity as per formats enclosed.

The recommending authority, while forwarding the claim to Zonal Office / Head Office for sanction should invariably submit the confirmation in respect of the worth of the sureties in the format as per **Annexure 20 in SOP**.

## **4 Settlement of claims in respect of Missing Persons**

### **4.1 Legal Position**

The settlement of claims in respect of missing persons would be governed by the provisions of Section 107/108 of the Indian Evidence Act, 1872. Section 107 deals with presumption of continuance and section 108 deals with presumption of death. As per the provisions of Section 108 of the said Act, presumption of death can be raised only after a lapse of seven years from the date of his/her being reported missing. As such, nominee/legal heirs have to raise an express presumption of death of the subscriber under Section 107/108 of the Indian Evidence Act before a competent court. **If the court presumes that he/she is dead, then the claim in respect of a missing person can be settled on the basis of the order from the court.**

### **4.2 Adoption of simplified procedures to avoid inconvenience and undue hardship to the common person**

Obtaining court order regarding presumption of death could prove to be costly and time consuming for a common person. Hence the RBI has suggested that every bank should fix a threshold limit as per its risk perception and may follow a simplified procedure for settlement of such claims up to the threshold limit so fixed so as to avoid inconvenience and undue hardship to the common person.

### **4.3 Settlement of claims within threshold limits**

As suggested by RBI, our bank has fixed threshold limit of Rs. 50,000/- up to which claims in respect of missing persons could be settled without insisting on production of court order declaring the person as presumed to be dead. Claim up to the threshold limit of Rs. 50,000/- can be settled on the basis of submission of following papers by the claimants, **provided the claims are made by the spouse, children and parents of the missing person;**

- a. Application (**Annexure 10 / 11 in SOP**)
- b. Consent letter of Legal heirs for payment to claimant (**Annexure 12 in SOP**)
- c. Affidavit from claimant(s) (**Annexure 13 in SOP**)
- d. Identity proof of claimant/s
- e. FIR filed with the Police
- f. Non traceable report issued by police authorities
- g. Letter of indemnity signed by nominee / all legal heirs. (**Annexure 14 in SOP**)
- h. Receipt (**Annexure 15 in SOP**)

**For claims in respect of missing person made by claimants other than his/her spouse, children and parents, production of court order must be insisted upon.**

**Also for the claims in respect of missing person above the threshold limit of Rs. 50,000/-, production of court order must be insisted upon.**

Premature termination of Term Deposit Account the rules as applicable to deceased depositor would be made applicable to missing depositor also.

## **5 Simplification of the process for settlement of Claims in deceased depositors' accounts**

### **5.1. Documentation**

Application for deceased claim shall contain details of all deposits, SDV locker and Safe custody articles in one or many of the branches of the Bank and shall be submitted in the branch having major portion. The total value of the claim shall be considered for exercising delegated sanctioning powers and only one set of documents shall be obtained. Copies of documents along with sanction should be sent to other branches for payment and record.

**Documents, which are required to be submitted along with the claim form:**

- a. Proof of death of depositor(s) or hirer(s).
- b. Proof of identification of nominee(s) wherever applicable such as Election ID Card, PAN Card, Passport, Aadhaar Card etc., or any other satisfactory proof of identification acceptable to the bank or proof of authority of legal heir(s) wherever applicable.

**5.1.1** Branch should exercise due care and caution in ascertaining the identity of legal heir(s) / nominee(s) and the fact of death of the account holder, through appropriate documentary evidence.

**5.1.2** It should be made clear to the survivor(s)/nominee(s) that he / she / they would be receiving the payment from the bank as a trustee of the legal heirs of the deceased depositor, i.e., such payment to him / her / them shall not affect the right or claim which any person may have against the survivor(s)/nominee(s) to whom the payment is made.

**5.1.3** It may be noted that payment made to the survivor(s) / nominee(s), subject to the foregoing conditions, would constitute a full discharge of the bank's liability, insistence on production of legal representation is superfluous and unwarranted and it would only serve to cause avoidable inconvenience to the survivor(s)/nominee(s). In such case, therefore, while making payment to the survivor(s)/nominee(s) of the deceased depositor, we should not insist on production of succession certificate, letter of administration or probate, etc., or obtain any bond of indemnity or surety from the survivor(s)/nominee(s), irrespective of the amount standing to the credit of the deceased account holder.

**5.1.4** (a) In cases where the deceased depositor had not made any nomination or has not given any mandate of survivorship, it has been decided to adopt a simplified procedure as given below for repayment to legal heir(s) of the depositor keeping in view the imperative need to avoid inconvenience and undue hardship to the common person.

**5.1.5** (b) Branch to collect unused cheque leaves from the claimant before settlement of death claims.

### **5.1.6 Settlement of claims where there is no nomination or survivor clause**

#### **(i) Claim up to (and inclusive of) Rs. 1 lakh**

Claim up to (and inclusive of) Rs. 1 lakh (i.e. balance in the account/s of the deceased depositor, including value of contents of locker) shall be settled without insisting on production of legal representation, **provided there are no disputes between legal heirs, all of them are ready to join execution of Indemnity in**

**favor of the bank and there is no court order restraining the Bank from making the payment.**

Such claim up to (and inclusive of) Rs. 1.00 lakh shall be settled on the basis of the following documents:

- a. Application for deceased claim (Annexure 4 in SOP)
- b. Certified Copy of Death Certificate
- c. Proof of identification of legal heirs such as PAN Card, Aadhaar Card, Passport, Driving License, Election ID Card or any other satisfactory proof of identifications acceptable to the bank.
- d. Letter of Indemnity signed by the claimant & all legal heirs (Annexure 8 in SOP)
- e. Receipt (Annexure 9 in SOP)

None of the above documents are required to be executed before any outside authority. No affidavit is required to be executed.

**Branch official has to make discrete enquiry/verification about the claim and put in record the enquiry form (Annexure-21 in SOP)**

**(ii) Claim above Rs. 1 lakh & up to (and inclusive of) Rs. 25 lakhs**

Claims above Rs. 1 lakh & up to (and inclusive of) Rs. 25 lakhs may be settled without production of legal representation such as succession certificate, letters of Administration, probate of will etc. **provided there are no disputes between legal heirs, all of them are ready to join execution of Indemnity in favour of the bank,** there is no court order restraining the Bank from making the payment, and where there are no circumstances/ information/ reason for the Bank to doubt the genuineness of the claimant/s being the only legal heirs of the deceased depositor.

Such claim **Rs. 1 lakh & up to (and inclusive of) Rs. 25 lakhs** shall be settled on the basis of the following papers **and against minimum two sureties acceptable to the bank:**

- a. Application for deceased claim (Annexure 3 in SOP)
- b. Certified Copy of Death Certificate
- c. Proof of identification of legal heirs & proposed sureties such as Ration Card, Election ID Card, PAN Card or Passport, Aadhaar Card or any other satisfactory proof of identification acceptable to the bank
- d. Form of Sureties (Annexure 5 in SOP)
- e. Attested consent letter of legal heirs to pay the amount to any one or more of them (Annexure 6 in SOP) – duly attested by Gazetted Officer, Executive Magistrate or Notary
- f. Affidavit from claimant/s (Annexure 7 in SOP)
- g. Letter of indemnity signed by the claimants and all legal heirs with sureties accepted by the bank (Annexure 8 in SOP)
- h. Certificate from Branch Manager: All documents are verified from the original and no nomination is available to deposit as per record.
- i. Certificate from Legal Officer: All documents are vetted and are in order as per

the prevailing banks policy and appropriately stamped as per respective state law.

- j. Annexure 20 in SOP i. e. Certificate regarding means and worth of the Sureties duly signed by Branch Manager/Zonal Manager

**Branch official has to make discrete enquiry/verification about the claim and put in record the enquiry form (Annexure-21 in SOP)**

**The Indian Banks' Association vide their circular No. 3/2023, dated 28.4.2023 has communicated that there are recurrent complaints received by the RBI that in certain situations of claim on deposit of a deceased customer where neither nomination nor survivorship mandate is held. This relates to a situation wherein the claimant is not willing to provide Third Party Indemnity / Surety.**

**In this regard, IBA has clarified that, in case where the claim falls under the category of (b) - Claim above Rs. 1 lakh & up to (and inclusive of) Rs. 25 lakhs, if the claimant is not willing to provide Third Party Indemnity / Surety, then the banks would be in order to require the claimant to produce legal representation such as probate / succession certificate / letters of administration.**

**(iii) Claim above Rs. 25 lakhs**

Claims above Rs.25 lakhs (without nomination or survivorship mandate) to be compulsorily settled against legal representation such as Letter of Administration, Probate & Succession Certificate etc.

However, there may be some accounts / deposits accounts wherein the claimants / legal heir(s) are not in position to produce Court Succession Certificate, Legal Representation, probate etc., on account of delay, cost involved, etc. Such of those cases can be considered, only as an exception, purely based on merits and at the sole discretion of the Bank. The reason for considering such requests should be clearly brought out (like value of the relationship etc.).

Branches while recommending are required to ensure that the claim is genuine and all the legal heir(s) have been properly identified through KYC norms and furnish the reasons for not obtaining succession certificate.

**Branch official has to make discrete enquiry/verification about the claim and put in record the enquiry form (Annexure-21 in SOP)**

**5.2. Time Norms for settlement of claims**

Sr. No.	Particulars	Timelines
1.	<b>With Nomination / Survivorship clause: -</b>	Branch shall settle the claims in respect of deceased depositors and release payments to survivor (s)/ nominee in case of accounts wherein nomination or survivorship mandate is available, within <b>a period not exceeding 15 working days</b> from the date of receipt of the claim subject to the production of proof of death of the depositor, suitable identification of the claimant(s) and submission of all

		necessary documents to the satisfaction of the branch.
2.	<b>Without Nomination / Survivorship clause</b>	In the case of accounts wherein nomination or survivorship mandate is not available, the claim shall be settled <b>within 30 working days</b> from the date of receipt of the claim subject to the production of proof of death of the depositor, suitable identification of the claimant(s) and submission of all necessary documents to the satisfaction of the branch.
Beyond given timeline, as stipulated above, the Banks shall pay interest at rate, two percent higher than the rate at which the deceased person's deposit was held. Authority for Approval and Payment of Additional Interest Rate shall be same as sanctioning authority. The approving authority for the payment of additional interest rate must record a detailed reasons and valid justification for approving the claim.		

### 5.3. Competent authority for settlement of claims

Keeping in view the objective of settling the claims within the stipulated time limits as above, and the risk perception of the bank, monetary limits for different levels of officers for settlement of claims are specified as below:

#### Deceased Claims –Sanctioning Powers

(Rs. in Lakhs)

Sanctioning Authority Scale / Designation	Claims wherein survivorship mandate or nomination is available	Claim in respect of HUF account, in the event of death of a Karta	Claims supported by Legal Representation (Such as Succession Certificate, Probate of Will, Letter of Administration, Order of court etc.)	Claims not supported by Legal Representation and wherein survivorship mandate or nomination is also not available*
Branch Head in Scale I	10.00	2.00	2.00	2.00
Branch Head in Scale II	15.00	5.00	5.00	5.00
Branch Head in Scale III	20.00	10.00	10.00	10.00
CM at Branch	Full	15.00	15.00	15.00
AGM at Branch / ZLCC of ZM (AGM)	Full	Full	Full	20.00 / (40.00)
DGM at Branch / ZLCC of ZM (DGM)	Full	Full	Full	30.00 / (60.00)

Sanctioning Authority Scale / Designation	Claims wherein survivorship mandate or nomination is available	Claim in respect of HUF account, in the event of death of a Karta	Claims supported by Legal Representation (Such as Succession Certificate, Probate of Will, Letter of Administration, Order of court etc.)	Claims not supported by Legal Representation and wherein survivorship mandate or nomination is also not available*
ZLCC of ZM (GM) / CAC IV at HO	Full	Full	Full	100.00
CAC-III (CGM)	NA	NA	NA	150.00
CAC-II	NA	NA	NA	200.00
CAC-I	NA	NA	NA	Full

The powers delegated to CAC-III headed by CGM will be effective from the date of designation of CGM in the bank, until then, proposals falling within delegated powers of CAC-III shall be placed before CAC-II headed by ED for approval.

Wherever amount mentioned in brackets, sanctioning powers shall be exercised by ZLCC.

\* In view of customer friendly deceased claim settlement, Claims not supported by Legal Representation and wherein survivorship mandate or nomination is also not available, the condition for keeping fixed deposit of 50% claim amount in fixed deposit by legal heirs for 3 years with no premature and no loan facility is waived off.

Branches and field functionaries will scan their deposits accounts, where nomination is not obtained and obtain them on priority basis to avoid inconvenience to customers unless the customer is unwilling to nominate and submit his unwillingness in writing for the same.

In respect of claims above Rs. 25 lakhs (wherein nomination or survivorship mandate is not available), legal representation is to be insisted. For HUF account, no legal representation is required irrespective of the amount of claim.

**Note:**

Under the claim in respect of a particular deceased depositor, accounts / SDVs / Safe Deposit Articles wherein nomination or survivorship mandate is available should be segregated, and each of the segregated accounts / SDVs / Safe Deposit Articles should be considered as a separate claim and settled as per the nomination / survivorship mandate available for the particular account / SDV etc., within the sanctioning powers as specified above.

Remaining accounts / SDVs / Safe Deposit Articles of the same deceased depositor wherein nomination or survivorship mandate is not available should be clubbed together and such clubbed amount (inclusive of value of contents of locker) should be considered as a consolidated single claim for settlement within the sanctioning powers as specified above (as applicable).

It is the responsibility of the branch where the claim is submitted, to check the CIF of the

deceased depositor and to confirm that no account/s is/are left out of the claim. Accounts of the same deceased depositor / locker holder with other branches of the bank should be included under the same claim. Branch-wise separate settlements are not to be made. Since the risk perception of the claim is for the bank as a whole, settlement should also be for the bank as a whole. Splitting of accounts resulting in accommodating settlement within lower scale and/or facilitating the claimant to escape from the requirement of production of legal representation, shall be viewed very seriously.

#### **Competent authority for settlement of claims in respect of missing persons:**

For claims above Rs. 50000/- and for claims made by the claimants other than the Spouse/Children/Parents of the missing person (irrespective of the amount of claim), production of court order declaring the missing person as presumed to be dead, is to be insisted upon and the same sanctioning powers as mentioned above should be exercised.

For claims NOT supported by Court Order declaring the missing person as presumed to be dead, monetary limits for different levels of officers for settlement of claims are specified as below:

Rs. in Lakhs								
Authority		GM	DGM BR/ZO/HO	AGM BR/ZO/HO	Branch Head in Scale			
					IV	III	II	I
a	Claims NOT supported by Court Order declaring the missing person as presumed to be dead							
	Sanctioning Powers	0.50	0.50	0.50	0.50	0.50	0.25	0.10

#### **5.4. Premature termination of Term Deposits Accounts and payment of interest / other issues relating to Term Deposit Account**

##### **5.4.1 Penal charge**

In the case of term deposits, a clause to the effect that “in the event of the death of the depositor(s), premature termination of term deposits by the survivor(s)/ nominee/ legal heirs would be allowed” has been incorporated in the in the account opening form itself. The conditions subject to which such premature withdrawal would be permitted is also be specified in the account opening form. **Such premature withdrawal would not attract any penal charge.**

##### **5.4.2 Payment of interest in case of term deposit accounts of deceased depositor(s)** In case of a term deposit standing in the name/s of a deceased individual depositor, or two or more joint depositors, where one of the depositors has died, interest shall be paid in the manner indicated below;

- On the maturity of the deposit:** At the contractual rate
- In case of death of the depositor before the date of maturity of the deposit, and the payment is sought after the date of maturity**

At the contractual rate till the date of maturity, and from the date of maturity to the date of payment, simple interest at applicable rate on term deposit as on the date of maturity, for the period for which the deposit remained with the bank beyond maturity date

**In case of death of the depositor before the date of maturity of the deposit, and the payment is sought before the date of maturity (i.e. prematurity payment)**

At the applicable rate on term deposit on the date of opening of the deposit to the date of payment with reference to the period for which the deposit has remained with the bank, **without charging penalty**.

**c. In case of death of the depositor after the date of maturity and the payment is also sought subsequently**

At contractual rate up to the date of maturity, and at savings bank deposit rate (simple interest on daily product basis) operative on the date of maturity, on the maturity value of the deposit as on date of maturity, for the period from the date of maturity till the date of payment.

**5.4.3 Splitting of Term Deposit**

On request from the claimant/s, splitting of the amount of term deposit may be allowed and two or more receipts individually in the names of the claimant/s may be issued. It shall not be construed as premature withdrawal of the term deposit, provided the period and aggregate amount of the deposit do not undergo any change.

**5.5. Treatment of flows in the name of the deceased depositor**

In order to avoid hardship to the survivor(s) / nominee of a deposit account, branches may obtain appropriate agreement / authorization from the survivor(s) / nominee with regard to the treatment of pipeline flows in the name of the deceased account holder. In this regard, adopting either of the following two approaches may be considered:

- The bank could be authorized by the survivor(s) / nominee of a deceased account holder to open an account styled as Estate of Shri \_\_\_\_\_, 'The Deceased' where all the pipeline flows in the name of the deceased account holder could be allowed to be credited, provided no withdrawals are made.

**OR**

- The bank could be authorized by the survivor(s) / nominee to return the pipeline flows to the remitter with the remark "Account holder deceased" and to intimate the survivor(s) / nominee accordingly. The survivor(s) / nominee / legal heir(s) could then approach the remitter to effect payment through a negotiable instrument or through ECS transfer in the name of the appropriate beneficiary.

Branches shall offer both the options to the claimants & act according to the option preferred by the claimants. (This is also included in code of Bank's commitment to customers).

**5.6. Claims in respect of NRI account holders**

In case of demise of NRI account holder(s), the funds lying in their accounts may be claimed and the claims shall be processed in the same manner as Resident account holders/depositors. Clarification for settlement in favor of Non-Resident Depositors / Claimant is mention in the Annexure-4.

However, in case of Resident Indian account holders, where the claimant or nominee is a NRI, question of repatriation of the funds may arise. In such a case, the claimant/nominee should be asked to open a NRO account by submitting his/her KYC documents such as Passport, international driving license, OCI Card, PAN Card etc. Submission of PAN Card is a must because a Chartered Accountant will not issue Form 15 CA and CB without a PAN Card and repatriation from NRO account is allowed only on submission of Form 15 CA and

CB from a Chartered Accountant.

In case the claimant/nominee does not have a PAN Card, he/she will have to apply for and obtain a PAN Card. NRIs, including those who have foreign citizenship, are also entitled to apply for and obtain a PAN Card.

The claim settlement funds can then be credited to this account from where they can be repatriated abroad under funds received by inheritance on production of documentary evidence in support of inheritance subject to payment of taxes as prescribed by CBDT from time to time.

#### **5.7. Policy to be displayed on Web-Site**

The policy document will be placed on the website of the bank.

#### **5.8. Redressal of complaints and grievances**

Depositors having any complaint / grievance with regard to services rendered by the Bank, has a right to approach authority/ties designated by the Bank for handling customer complaint / grievances. The details of the internal set up for Redressal of complaints / grievances will be displayed in the branch premises. The branch officials shall redress the grievances of the Customer if any. They shall provide all required information regarding procedure for lodging the complaint in case complainant is not satisfied with their action. In case the depositor does not get response from the Zonal office within 4 weeks from date of lodging complaint or if the depositor is not satisfied with the response received from the Bank, depositor has a right to approach banks Nodal Officer for Public Grievances, Head Office, "Lokmangal", '1501, Shivajinagar Pune –411005 or Banking Ombudsman appointed by the Reserve Bank of India.

### **6 Roles and Responsibilities**

- Branch to ensure that all the deceased claim process to be routed through Suvidha Portal.
- Law Officers at Zonal Offices shall be the nodal officer for monitoring SUVIDHA Portal and shall ensure timely disposal of Deceased Claims.
- Deputy Zonal Manager to ensure the compliance of policy guidelines.
- Operations Department and Legal Department at Head Offices shall monitor SUVIDHA Portal and shall follow up with zones to ensure timely disposal of Deceased Claims.

### **7 Escalation Matrix (for internal grievances where Branch & Zones can refer to):**

For resolution of issues relating to Deceased Claims or for suggestions, escalation matrix is provided as below:

Level	Name	Email ID
1.	Law Officer, Zonal Office	Email ID of Law Officer of Zone
2.	Deputy Zonal manager / Zonal Manager	Email ID of ZM / DZM
3.	Assistant General Manager, Operations	agmoperations@mahabank.co.in
4.	Deputy General Manager, Operations	dgmoperations@mahabank.co.in

5.	General Manager, Operations	gmoperations@mahabank.co.in
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## 8 Policy Administration:

- a. The General Manager (Operations) is the custodian of the Deceased Claim Policy.
- b. The General Manager shall engage with relevant committees, departments, business & support functions to recommend necessary amendments to this policy.
- c. The Policy shall be reviewed annually or in tune with regulatory requirements issued from time to time. The Deceased Claim Policy shall be valid till next review. The policy can be extended for 3 months with approval of MD & CEO. Changes and amendments, if any, in the policy can be done with the approval of MD & CEO, during intervening period before the policy is reviewed annually.
- d. The Board of Directors shall approve the policy and the amendments recommended to it. Such approvals shall be routed to the Board of Directors through the Risk Management Committee of the Board.

## Appendix-1:

### 1. Procedure for settlement of claims of Safe Deposit locker accounts having no nomination / survivorship clause:

For settling the deceased claim of a Safe deposit locker account having no nomination / survivorship clause, branch has to perform the following steps: -

- a. On receiving the intimation of death of a sole locker hirer/last survivor of the joint locker hirers, Death Certificate of the locker holder issued by the competent authority should be obtained and held on record.
- b. The claimant(s) / heir(s) should furnish necessary particulars in the claim format, which is ordinarily obtained in deposit accounts.
- c. The locker should be sealed with the Bank's seal and a note to this effect should be made in the all-respective records.
- d. Verification of claimant/s, survivors / legal heirs should be established by obtaining the appropriate documentary evidence.
- e. Branches should make diligent effort to find out if there is any order from a competent court restraining the bank from giving access to the locker of the deceased.
- f. Without preparing the inventory of the Locker contents, branch shall not ask the claimant(s) / legal heir (s) to obtain Succession Certificate from the court.
- g. The value of the contents of the Locker should be added to the amount of other deposits for the purpose of sanctioning of the deceased claim.
- h. The consolidated claim should be considered by the appropriate authority to whom sanctioning powers are delegated as per the value of claim.
- i. For the purpose, Valuation of the articles in the locker such as cash, ornaments, jewelry etc. shall be done (at the time of Inventory) through Shroff / goldsmith Gold valuer on the panel of the Bank.
- j. Legal representative(s) of the deceased should be permitted to inspect the contents of the locker on production of satisfactory evidence, by following the below mentioned conditions, So as to enable him/her to lodge the claim or to obtain the necessary legal representation:
  - (i) A letter should be taken from all the heirs requesting the Bank to open the locker for the purpose of inventory.
  - (ii) Branch should then fix up a date and time for making an inventory.
- k. In case of loss of locker keys, the cost incurred for the break open of lockers to be recovered as per the operational guidelines mentioned in Locker policy, i.e. a letter from the nominee/ claimant stating that he is not in possession of the key and requesting the Branch to arrange for break open the locker should be obtained. A suitable working date for break open the locker should be fixed before claim settlement. Further, all the dues in the accounts of deceased/ missing person to be recovered before the settlement of claim.

#### 1.1 Procedure for preparing inventory:

##### A. If there is no competent Court order for preparing the inventory:

Prepare the inventory of the contents of the lockers, only in the presence of (i) all the heirs/ their duly constituted attorney/ies (ii) two respectable witnesses known to the branch (they should not be Employees or Ex-Employees of the Bank) (iii) the valuer (iv)

the Safe Deposit Vault Custodian and another officer.

While preparing the inventory of the locker contents, following points should be taken care of:-

- a. The inventory should be prepared in the prescribed inventory record form (Annexure 17 in SOP) under the signatures of all the persons stated above.
- b. Sealed/closed packets found in locker are not required to be opened while taking the inventory (and also while releasing them to the claimant(s) / nominee(s) / surviving hirer(s) etc.). However, description of the sealed/closed packet(s) should be mentioned in the inventory.

**B. If there is competent Court order for preparing the inventory:**

Prepare the inventory of the contents of the lockers, only in the presence of (i) the Court's Representative, (ii) the claimant/s to the contents of the locker held by the deceased hirer, (iii) the valuer (iv) the Safe Deposit Vault Custodian and another officer.

While preparing the inventory of the locker contents, following points should be taken care of:

- a. The inventory should be prepared in the prescribed inventory record form (Annexure 17 in SOP) under the signatures of all the persons stated above.
- b. Sealed/closed packets found in locker are not required to be opened while taking the inventory (and also while releasing them to the claimant(s) / nominee(s) / surviving hirer(s) etc.). However, description of the sealed/closed packet(s) should be mentioned in the inventory.
- c. The inventory should enumerate the contents of locker and it should be signed by those persons in whose presence the locker has been opened.
- d. The valuer's assessment of the value of each item of the inventory should be in triplicate, one copy to the Court, the second to the claimant and the third to be retained on branch record.

**1.2 Procedure For the claims to be settled without Legal Representation:**

Heirs of the deceased hirer may be allowed to have access to the locker and withdraw the contents against indemnity & two sureties acceptable to the bank. Guidelines as applicable for settlement of claims in respect of deposit accounts without legal representation shall apply in such cases also.

Following procedure in respect of Safe Deposit Locker without Nomination/Survivorship clause should be followed;

- a. After making an inventory, care should be taken to **redeposit all the contents in the said locker and to seal the locker.**
- b. The claimant(s) should be advised to obtain legal representation such as Letter of administration/Probate from the Competent Court and produce the same to the bank to claim the contents. This is applicable in respects of claims required to be settled against legal representation as per the policy of the bank.
- c. The claim papers along with inventory, valuation etc. should be submitted to the sanctioning authority for decision, as per usual procedure.
- d. On receipt of sanction of the appropriate authority or on production of legal

representation, the Legal Representative(s) of the deceased should be allowed to remove the contents from the locker after complying with the terms of sanction, signing an indemnity, acknowledgement of receipt of articles and a letter of surrender together with the key.

After removal of the contents from the locker, the claimant/s may still keep them with the branch, if they so desire, by entering into a fresh contract of hiring a locker.

## **2. Settlement of claims in respect of Return of Articles in safe Deposit Lockers/ safe custody articles on behalf of minor nominee is minor**

Section 45 ZE of the B.R Act, 1949 does not preclude a minor from being a nominee for obtaining delivery of the contents of a locker. It should be ensure that when the contents of a locker are sought to be removed on behalf of the minor nominee, the articles are handed over to a person who, in law, is competent to receive the articles on behalf of the minor.

An inventory of the articles shall prepare in the presence of two independent witnesses, one officer of the bank who is not associated with the locker facility or safe deposit of articles and the claimant(s), who may be a nominee or an individual receiving the articles, on behalf of such minor.

A separate statement shall obtain from the nominee (claimant) or the person competent to receive articles on behalf of the minor, as the case may be, that all the contents in the locker or in the safe custody of the bank, as the case may be, are received and the locker is empty and they have no objection to allotment of the locker to any other customer as per norms.

## Annexure 1

### Clarifications regarding provisions in Nomination Rules

The Banking Companies (Nomination) Rules, 1985 have been framed in terms of Sections 45 ZA to 45 ZF of the Banking Regulation Act, 1949.

#### 1. Deposit Accounts

- a. Nomination facility is intended only for individuals **including a sole proprietary concern**.
- b. There cannot be more than one nominee in respect of single / joint deposit account.
- c. Variation/cancellation of a subsisting nomination by all the surviving depositor(s) acting together, may be allowed. This is also applicable to deposits having operating instructions "Either or Survivor".
- d. It may be noted that in the case of a joint deposit account the nominee's right arises only after the death of all the depositors.
- e. Nomination Rules prescribe specific formats for making nomination, variation in nomination and cancellation of nomination.
- f. Nomination does not require witnesses except where it is under thumb impression.
- g. Payment to nominee should be on verification of his/her identity and against receipt.
- h. With the request and consent of the depositor, the name of nominee may be mentioned on the pass book or term deposit receipt.

#### 2. Safe Deposit Lockers

- a. Nomination facility is available in respect of lockers hired singly as well as jointly. In respect of lockers in joint names nomination rules are applicable only if lockers are operated jointly.
- b. Where the lockers are hired jointly, on the death of any of the joint hirers, the contents of the locker are allowed to be removed only jointly by the nominee(s) and the survivor(s) after an inventory is taken in the prescribed manner. In such a case, after such removal preceded by an inventory, the nominee and surviving hirer(s) may still keep the entire contents with the same bank, if they so desire, by entering into a fresh contract of hiring a locker.
- c. Banks are not required to open sealed/closed packets found in locker while releasing them to the nominee or nominees and surviving hirers. Description of the sealed/closed packet(s) should however be mentioned in the inventory.
- d. It should be made clear to the survivor(s) / nominee(s) that access to locker / safe custody articles is given to them only as a trustee of the legal heirs of the deceased locker hirer i.e., such access given to him shall not affect the right or claim which any person may have against the survivor(s) / nominee(s) to whom the access is given.
- e. Section 45 ZE of the B.R Act, 1949 does not preclude a minor from being a nominee for obtaining delivery of the contents of a locker. It should be ensured that when the contents of a locker are sought to be removed on behalf of the minor nominee, the articles are handed over to a person who, in law, is competent to receive the articles on behalf of the minor.
- f. An inventory of the articles shall be prepared in the presence of two independent witnesses, one officer of the bank who is not associated with the locker facility or safe deposit of articles and the claimant(s), who may be a nominee or an individual

receiving the articles, on behalf of such minor.

- g. A separate statement shall obtain from the nominee (claimant) or the person competent to receive articles on behalf of the minor, as the case may be, that all the contents in the locker or in the safe custody of the bank, as the case may be, are received and the locker is empty and they have no objection to allotment of the locker to any other customer as per norms.

### 3. Safe Custody Articles

Nomination facility is available only in the case of individual depositor / sole proprietary concern **and not in respect of persons jointly depositing articles for safe custody.**

## Annexure 2

### Settlement of Claims in Various types of Operational instructions

#### 1. Deposits

##### With Nomination

Account in the Name of	Operational Instructions	Nominee	Situation	What is to be done by branch
A	Self	Y	Y dies	A can change the nomination
A	Self	Y	A dies	Y will receive the outstanding
A, B	Either or Survivor	Y	A dies	Balance outstanding will be payable to B.
A, B	Either or Survivor	Y	B dies	Balance outstanding will be payable to A.
A,B	Either or Survivor	Y	A & B dies	Y will receive the outstanding
A,B	Jointly	Y	A dies	Payable to B AND legal heirs of A jointly
A,B	Jointly	Y	B dies	Payable to A AND legal heirs of B jointly
A,B	Jointly	Y	A & B dies	Payable to Y

##### Without Nomination

Account in the Name of	Operational Instructions	Situation	What is to be done by branch
A	Self	A dies	Outstanding will be payable to the legal heirs or anyone of them mandated by all of the legal heirs
A, B	Either or Survivor	A dies	Outstanding will be payable to B
A,B	Either or Survivor	B dies	Outstanding will be payable to A
A,B	Either or Survivor	A & B dies	Jointly payable to legal heirs of A & B (or any of them mandated by all the legal heirs)
A,B	Jointly	A dies	Jointly payable to B AND Legal heirs of the A (or any one of them mandated by all the legal heirs).
A,B	Jointly	B dies	Jointly payable to A AND Legal heirs of the B (or any one of them mandated by all the legal heirs)
A,B	Jointly	A & B dies	Jointly payable to legal heirs of A & B (or any of them mandated by all the legal heirs)

## 2. Lockers

### With Nomination

Locker in the Name	Operational Instructions	Nominee	Situation	What is to be done by branch
A	Self	Y	Y dies	A can change the nomination
A	Self	Y	A dies	Y will be given access to the locker and liberty to remove contents
A,B	Jointly	Y	A dies	B and Y will be given access to the locker and liberty to remove contents jointly.
A,B	Jointly	Y	B dies	A and Y will be given access to the locker and liberty to remove contents jointly
A, B	Jointly	Y	A & B dies	Y will be given access to the locker and liberty to remove contents.
A,B	Jointly	Y & Z	A dies	B along with Y and Z will be given access to the locker and liberty to remove contents jointly
A, B	Jointly	Y & Z	B dies	A along with Y and Z will be given access to the locker and liberty to remove contents jointly.
A,B	Jointly	Y & Z	A & B dies	Y and Z jointly will be given access to the locker and liberty to remove the contents

### Without Nomination

Locker in the Name of	Operational Instructions	Situation	What is to be done by branch
A	Self	A dies	Legal heirs of A or any of them mandated by any of them
A, B	Either or Survivor	A dies	B will be given access to the locker and liberty to remove the contents.
A, B	Either or Survivor	B dies	A will be given access to the locker and liberty to remove the contents.
A,B	Either or Survivor	A & B dies	Legal heirs of A and B (or any one of them mandated by all legal heirs) will be given access to the locker and liberty to remove the contents.
A,B	Jointly	A dies	B and legal heirs of A (or any of them mandated by all legal heirs) will be given access to locker and liberty to remove the contents jointly.
A,B	Jointly	B dies	A and legal heirs of B (or any one of them mandate by all legal heirs) will be given access to locker and liberty to remove the contents jointly
A, B	Jointly	A & B dies	Legal heirs of A & B (or any of them mandated by all legal heirs) will be given access to locker and liberty to remove the contents.

### Annexure 3

## Provisions of Law regarding Legal heirs

### 1. Hindu

- If the deceased is a male Hindu, dying intestate, it must be ascertained whether there are one or more Class-I legal heirs.
- The following are called Class-I legal heirs:

Mother	Widow
Son	Daughter
Son of a predeceased son	Daughter of a predeceased son
Son/daughter of a predeceased daughter	Son / daughter / widow of a predeceased son of a predeceased son
Widow of a predeceased son	Son/ daughter of predeceased daughter of predeceased daughter
Daughter of predeceased son of a predeceased daughter	Daughter of predeceased daughter of predeceased son

All Class-I legal heirs take simultaneously to the exclusion of any other legal heir and no one takes precedence over the other.

- The Class-II legal heirs** are classified in different Entries and legal heirs belonging to Entry-I will be preferred to the second entry and so on in succession. But there is no preference among these falling in the same entry and they take their share simultaneously

Entry-I	a. Father
Entry-II	a. Son's daughter's son b. Son's daughter's daughter c. Daughter's Daughter's son d. Daughter's Daughter's daughter e. Brother and Sister
Entry-III	a. Son/ daughter of daughter's son b. Son/ daughter of daughter's daughter
Entry-IV	a. Son/daughter of brother or sister

- In case, the deceased is a married female Hindu, who died intestate, the following are her legal heirs;
  - Sons & daughters (including the children of any predeceased son) & the husband
  - Heirs of husband
  - Mother & Father
  - Heirs of father
  - Heirs of Mother
- If a female Hindu who dies intestate does not have son/daughter, the property inherited from her parents goes to heirs of father whereas if the same is inherited from husband or parents-

in-law, heirs of husband will inherit the property.

## 2. Christian

- Where the deceased is a Christian, Indian Succession Act governs the intestate succession.
- As per the provision of this Act, the widow of the male intestate is entitled to one-third of the property while the remaining two-third goes to lineal descendants (i.e. sons & daughters) in equal shares. If he has none, whole property passes to his widow.
- If the male intestate has left no lineal descendant, one half goes to the widow and other half to the kindred (i.e., father, mother, brother, sister).
- In case a Christian female dies intestate, husband has the same right.

## 3. Mohammedan

Inheritance in the case of Muslims is governed by the Sunni or Shia law depending upon the sect in which they belong to.

According to **Sunni law** the classes of heirs are

### Sharers

Heirs by consanguinity

- Ascendants: Father, True grandfather, Mother, True grandmother
- Descendants: Daughter, Son's daughter,
- Collateral : Full/consanguine sister, uterine brother/sister

Heirs by affinity - husband, wife

But these 12 sharers will inherit fixed shares subject to conditions. A sharer may be excluded by many reasons such as nearer in blood will exclude remote one in one class. Sometimes sharer may be converted as residuary or otherwise one sharer may be partly sharer and partly residuary.

## 4. Residuary category:

After fixed share is allotted to the sharers the residue left is devolving upon the residuary: Children male or female of deceased, of son of deceased, of father of deceased, male descendants of true grandfather.

Son is always a residuary. Daughter with son becomes residuary. Among these, descendants exclude all others. Ascendants exclude all others except descendants and descendants of nearer ascendants exclude those in remote. In each class of residuary nearer blood excludes remote one. Division among these is according to the rule of double share to the male and if only one sex is there then equally divided.

In the absence of sharers and residuary estate devolves upon his other blood relations i.e. distant kindred according to **Shia law** the heirs are

Heirs by consanguinity- I	Parents
	Children & descendants II
Heirs by consanguinity- II	Grandparents (true/ false)
	Brother or sister and descendants
Heirs by consanguinity- III	Paternal or maternal uncle of him or his parents and grandparents
Heirs-by Marriage	Husband, wife

Heirs by consanguinity and heirs by affinity succeed simultaneously. Among heirs by consanguinity those in class I exclude those in class II. The heirs in two sections of class

I succeeds together. In each section nearer in degree exclude the remote. The son always takes as a residuary.

A certificate from Muslim Jama-I-eth in the letterhead signed by the head of the institution to which the deceased was affiliated should be obtained giving details of legal heirs with their age. In case of male deceased, a categorical certificate to the effect that the deceased had not married any woman other than the one named in the list is to be insisted upon.

## **5. Minor's Interest and Guardianship**

- Where the legal heir is a minor, his lawful guardian will represent his interest.
- For Hindus and Christians, minor's father is the natural guardian and after him the mother. Regarding the guardianship of a minor (Hindu) it has been decided by the Supreme Court that even mother can be a natural guardian even during the life time of father since the welfare of child is of utmost importance.
- For a minor, who is a Muslim, father, then person appointed by father's will, then father's father and then person appointed by father's father will be guardian in order.

## LEGAL HEIRS UNDER VARIOUS PERSONAL LAWS

### A. HINDUS

a) Primary heir(s) of a Hindu Male:			
i.	Son (s)	v.	Children of Predeceased children
ii.	Daughter (s)	vi.	Widow of predeceased son
iii.	Wife	vii.	Children of predeceased grand children
iv.	Mother		
b) Primary heir(s) of a Hindu Female:			
i.	Son (s)	iii.	Husband
ii.	Daughter (s)	iv.	Children of predeceased children
c) In absence of Primary heirs, the Secondary heir(s) are:			
i.	Father	iii.	(a) Brother's children (b) Sister's Children.
ii.	(a) Brother and (b) Sister	iv.	Father's parents.

### B. MUSLIMS

a) Primary heir(s) of a Sunni Muslim:			
i.	Son (s)	iv.	Mother
ii.	Daughter (s)	v.	Spouse (Husband / Wife)
iii.	Father		
b) Primary heir(s) of a Shia Muslim:			
i.	Spouse (Husband / Wife)	iv.	Son (s)
ii.	Mother	v.	Daughter (s)
iii.	Father		

### C. CHRISTIANS

Primary heir(s) of a Christian:			
i.	Spouse (Husband / Wife)	iii.	Daughter (s)
ii.	Son (s)		

### D. PARSIS

a) Primary heir(s) of a Parsi Male:			
i.	Wife (Widow)	iv.	Mother
ii.	Son (s)	v.	Father
iii.	Daughter (s)	vi.	Children of predeceased children
b) Primary heir(s) of a Parsi Female:			
i.	Husband	iii.	Daughter (s)
ii.	Son (s)	iv.	Children of predeceased children

#### **Annexure-4**

#### **Clarification for settlement in favour of Non-Resident Depositors / Claimant**

**A. In case the depositors is Non-Resident and has passed away abroad, the death certificate which is attested/certified by any of the following shall be accepted for processing the claim:**

- (i) Notary Public in that country.
- (ii) Indian Embassy / High Commission in that country.
- (iii) Embassy/High Commission of that Country in India

A death certificate accompanied by any of the following document as corroboratory evidence, confirming incidence of death shall be accepted as such:

- (i) Evidence of settlement of an insurance claim at foreign center on account of death of the account holder.
- (ii) Evidence of settlement of proceeds of bank accounts at foreign center on account of death of the account holder
- (iii) Evidence of settlement of terminal benefits by the employer at foreign center on account of death of the account holder. However, the employer would have to be a government /multilateral organization only
- (iv) Evidence of death as provided by a hospital or local police authorities at the foreign center.

However, it may be ensured that any of these documents are issued from the same country as the death certificate.

**B. In case Claimants (NRIs or Foreign Nationals) stay abroad and it is not possible for them to come to India for completion of formalities-**

- (i) Execute the documents in the presence of Indian Embassy officials. The said document shall be submitted to the Stamp authorities for payment of stamp duty after it reaches India.
- (ii) The claimant can appoint his attorney for obtaining proper legal representation and obtain payment against affidavit, indemnity, surety etc. The procedure for the same is that the claimant should execute valid Power of Attorney (POA) which is attested by the Indian Embassy officials.

**C. The assets of deceased NRI account holder should be settled to the legal heirs as per the Personal Law of succession (Hindu, Muslim, Christian or any other community) applicable to the depositor. This is irrespective of whether the claimants happen to be a resident Indian, NRI, PIO or a foreign national.**

(However, if any court order/legal representation is obtained, the proceeds should be settled as ordered by Court. In the case of a foreign court order, ancillary orders/resealing should be obtained from Indian Court u/s 228 of the Indian Succession Act.)

**D. Foreign nationals cannot be accepted as sureties while obtaining Letter of Indemnity as he / she will not be governed by Indian law.**

#### **E. In case of legal representation-**

- (i) Will probated by Indian Court- Same as in resident case.
- (ii) Will probated by Foreign Court- properly authenticated copy of the will issued by Foreign Court is to be produced in the Courts of India who can then grant Letters of Administration.
- (iii) Succession Certificate / Certificate of inheritance / Letter of Administration by Indian Court- No additional due diligence except for KYC/proper identification of beneficiaries.
- (iv) Succession Certificate/ Certificate of inheritance / Letter of Administration by Foreign Court –
  - If issued by a Superior Court of a Reciprocating Territory (as notified by Central Govt. in Official Gazette) Claimants to obtain a grant from competent District Court in India for executing the certificate.
  - In case, where such certificate is not issued by a Superior Court of Reciprocating Territory, Claimant may be advised to file an application before appropriate District Court in India for issuing a separate certificate (afresh) by producing the Certificate issued by the Foreign Court.
- (v) If Succession Certificate does not mention the Bank account for which claim is being made- treated as claim without legal representation and to be acted upon it accordingly.