

Settlement of claims in respect of deceased depositors

The adoption of the simplified policy on “settlement of claims in respect of deceased depositors” is a reflection of our on-going efforts to provide significant improvement in the quality of customer service provided to survivor(s)/nominee/legal heir(s) of deceased depositors. The policy is based on the recommendations from Reserve Bank of India.

1. ACCESS TO BALANCE IN DEPOSIT ACCOUNTS

(A) Accounts with survivor/nominee clause

In the case of deposit accounts where the depositor has utilized the nomination facility and made a valid nomination or where the account was opened with the survivorship clause (“either or survivor”, or “anyone or survivor” or “former or survivor” or “latter or survivor”), the payment of the balance in the deposit account to the survivor(s)/nominee of a deceased deposit account holder will represent a valid discharge of the Bank’s liability. The Bank will make the payment of the balance in the deposit account to the survivor(s)/nominee provided:

1. the Bank has been able to establish the identity of the survivor(s)/nominee and the fact of death of the account holder, through appropriate documentary evidence;
2. there is no order from the competent court/authority restraining the Bank from making the payment from the account of the deceased; and
3. it has been clearly understood by the survivor(s)/nominee that s/he 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 shall not affect the right or claim which any person may have against the survivor(s)/nominee to whom the payment is made.
4. Where the nominee is a non resident, the balance can be remitted overseas if required.

Since payment made to the survivor(s)/nominee, subject to the foregoing conditions, would constitute a full discharge of the Bank’s liability, the Bank will not insist on production of succession certificate, letter of administration or probate, or obtain any bond of indemnity or surety from the survivor(s)/nominee, irrespective of the amount standing to the credit of the deceased account holder.

(B) Accounts without the survivor(s)/nominee clause

In the case of deposit accounts where the deceased depositor had not made any nomination or for the accounts other than those styled as “either or survivor” (such as single or jointly operated accounts), the Bank will adopt the following procedure for the payment of the balance in the deposit account to the legal heir(s) of the depositor:

1. the legal heir(s) has produced any proof their claim other than a succession certificate, letter of administration or probate to the Bank;
2. the Bank has obtained a bond of indemnity and affidavit from the legal heir(s) as per the Bank’s prescribed format;
3. and where the amount outstanding is not exceeding Rs. 25,000/- (rupees twenty five thousand only) to the credit of the account of the deceased depositor, shall be paid to the legal heir(s) basis a joint application, a letter of indemnity and affidavit only from the legal heir(s);

4. in all cases where payment to the legal heir(s) exceeds Rs. 25,000/- (rupees twenty five thousand only) the bank will obtain a succession certificate or letter of administration from the legal heir(s);
5. In all cases where the deceased has executed a will and a probate is produced, the amount will be released to the beneficiaries of the will as mentioned in the probate.
6. the Bank has been able to establish the identity of the legal heir(s) and the fact of death of the account holder, through appropriate documentary evidence;
7. there is no order from the competent court/authority restraining the Bank from making the payment from the account of the deceased.

2. Access to the Safe Deposit Lockers:

For dealing with the requests the same procedure rule applied to "Access to Balance in Deposit Accounts" will be applicable here.

3. Time limit for settlement of claims:

Settlement of the claims in respect of deceased depositors and release of payments will take place within 15 days from the date of receipt of the claim/document(s) subject to the production of proof of death of the depositor and suitable identification of the claim(s), to the bank's satisfaction.