

Updated as per SB order 31/2020 dated 28.8.2020 and
36/ 2020 dated 6.11.2020

Settlement of Savings Bank Claims

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Types of Claims

- With Nomination
- With legal evidence
- With out Nomination / legal evidence

As per GSPR, 2018

- **Nomination is mandatory** for all types of accounts.
- Maximum 4 individuals can be nominated.
- If nominee is a minor, **the depositor to authorize an appointee.**
- Nomination can be varied by the depositor **any time before the maturity of the account.**
- If depositor is **illiterate**, attestation by **two witnesses** is required while **making/altering** nomination. **No witness is necessary for literate depositors.**
- Nomination stands cancelled on:
 - i. death of all the nominee,
 - ii. transfer of the account as security (pledging)

Common documents

- Application form - Common for All SB/ SC scheme
- 2 Witnesses to be accepted(no need of presence, if self attested ID / address proof of witness is submitted)- as per Addendum of SB order 31/2020 dated 16.9.2020
- ID and address proof of Claimant(s) – Mandatory
- Death certificate – in original or photo copy.
- Photo copy to be verified with original by BPM/SPM/PM and a remark **“Compared with original and found correct”** to be made under his/her **dated signatures** & original returned to claimant
- No separate sanction (with some exceptions)
- No separate SB – 7A

Common procedures – for all 3 cases

- On receipt of claim form at PO where the account stands, PM will verify –
 - a) Name of depositor in Finacle with PB and in death certificate
 - b) Details of nomination in Finacle/nomination register
If it is maintained at HO, to be verified from HO
 - c) Balance available in PB with Finacle
 - d) Verify any court order/tax authority/ freeze/ pledge/ objection is not pending against that SB/SC

Common procedures – for all 3 cases

- On receipt of claim form at PO where the account stands, PM will verify –(contd...)
- e) Nominee(s) should be satisfactorily identified by taking ID proof and address proof
- f) Genuiness of legal evidence (if submitted)
- g) Genuiness of any addition documents (if submitted)
- h) A certificate about the release of pledge from pledgee accompanies if the account is pledged. Action for settlement of claim will arise only if pledge is released in full or part

Common procedures – for all 3 cases

- As soon as claim form along with required documents is received in PO where account stands:-
- Date stamp all documents .
- Receipt of claim application should be acknowledged on the same day in prescribed form
- Make entry in ‘Claim Register’ in format given.
- Sanction the claim if you are competent
- Otherwise forward on the same day to the competent authority by Service Insured post

Common procedures – for all 3 cases

- Preserve a copy in claim file and forward the original as voucher to the HO / SBCO
- Time limit for Sanction irrespective of savings scheme – within 1 working day(if nomination exists)
othercase, 7 working days
- Transmission of claim papers by Insured Post Payment by crossed cheque/ SB credit irrespective of amount
- Xerox copies of claim papers are to be kept as office copy.
- Annexures in case of without Nomination/ without Legal evidence

Common procedures – for all 3 cases

- Update the ‘Claim Register’
- 2 Witnesses to be accepted- Competent authority should satisfy himself – the genuiness of claim from 2 witness and ID along with address proof and no further enquiries to be made.

In r/o discontinued schemes-

Sanctioned at respective HOs. Concerned SPM will forward to HO

1) With Nomination claims

What the customer should present?

- Claim Application (in duplicate)
- Death Certificate – in original / attested copy
- Passbook
- Copy of ID Proof and address proof of the claimant(s)

1) With Nomination claims- contd...

- If any nominee has also died, proof of death of nominee in original
- On death of last surviving nominee or sole nominee, claim to be settled in favour of **LEGAL HEIR OF LAST DECEASED NOMINEE**
- If any nominee dies, balance shall be distributed among surviving nominees
- Nominee is minor, payment to person appointed by depositor (or) guardian of minor

1) With Nomination claims- contd...

Give precedence to nominee(s) over all other persons .

If any legal heir preferred claim on basis of legal evidence issued by any court of law **before sanctioning the claim in favour of nominee**, then claim should be preferred according to order by court of law

In case nomination was not registered by PO for any reasons, nomination can be registered later on verification and approval by DH

1) With Nomination claims- limit

Time limit –

can be settled immediately after death, irrespective of amount, without production of legal evidence

Amount limit –

Postmaster of all SO/HO can sanction SB/SC irrespective of any limit in all National (Small) Savings scheme

If account stands at BO, should be sanctioned by concerned SO

2) No nomination With legal evidence

Where no nomination and claim supported by legal evidence

Documents to be submitted:

In addition to the common documents ,

Legal evidence in original or certified copies or attested copies with original (Original will be returned after verification)

- PROBATE OF WILL (OR)
- SUCCESSION CERTIFICATE (OR)
- LETTER OF ADMINISTRATION

If claimant is unable to produce the original LE , at his own cost, produce certified copies of documents from Public Officer having the custody of such documents.

LE - PROBATE OF WILL

- It is a certificate granted by the competent Court to the effect that the Will is genuine and is indeed the last Will left behind the deceased

LE - SUCCESSION CERTIFICATE

- It is a certificate of succession of the properties of a person who has died without making a Will, issued by the competent civil Court.

LE - LETTER OF ADMINISTRATION

- A letter from the Court appointing an administrator when
 - there is no WILL from the deceased /
 - there is no specifications on WILL

2) No nomination With legal evidence – Sanction limit

Name of the authority (status of PO)	Limit in Rs.	Beyond the limit in column (2)
SPM - Timescale/ LSG	50,000	DH
Postmaster of HSG SO and HO, MDG/ HO/GPO / Sr.PM/Dy. Ch. PM/ Dy. Suptd of PO, Chief PM in GPO, SSPOs, Director (GPO)	No limit	-

Balance means –

balance at credit of the **account** of the deceased depositor on the date of death to which interest already accrued during the preceeding financial year .

For certificate- face value + interest upto preceeding FY

3) Without Nomination/ Without Legal evidence

Only for WITHOUT NOMINATION & WITHOUT LEGAL EVIDENCE
– UPTO 5 LAKHS,

If exceeds 5,00,000 – then submit “ succession certificate” (by court)

After expiry of **SIX MONTHS** from the date of death of the depositor.

ANNEXURES

I) Letter of Indemnity – form 15

II) Affidavit – form 14

III) Letter of disclaimer on Affidavit – form 13

Form 13/14/15 shall be submitted on non- judicial stamps of the required value according to current stamp act of respective date

3) Without Nomination/ Without Legal evidence - contd..

- A guardianship certificate on behalf of minor relatives should be submitted if claimant is not a guardian under the law applicable to him

ANNEXURES

SL	ANNEXURE	SIGNED BY	EXECUTED BEFORE
1	LETTER OF INDEMNITY	CLAIMANT, SURITIES, WITNESSES	NOTARY PUBLIC
2	AFFIDAVIT	ALL LEGAL HEIRS	NOTARY PUBLIC
3	LETTER OF DISCLAIMER ON AFFIDAVIT	ALL LEGAL HEIRS EXCEPT CLAIMANT	NOTARY PUBLIC

3) Without Nomination/ Without Legal evidence -sanction limits

Name of the authority (status of PO)	Limit in Rs.	Beyond the limit in column (2)
T/S SPM/ LSG SO	50,000	DH
PM of HSG(non gazetted) SO/ HO	1,00,000	DH
Postmaster of – gazetted HO/ MDG/ HO/GPO / Sr.PM/Dy. Ch. PM/ Dy. Suptd of PO, Chief PM in GPO, SSPOs	5,00,000	-

Death Certificate

- Issued by Municipality/ local bodies, Hospital, Police station in prescribed form
- When death occurs in a place where none of the above said authorities exist, a certificate of death in original form a Gazetted Officer, a MP/ MLA/ Panchayat Officer/ Village Police Patel may be submitted
- Certificate from last employer/ Doctor/ Hakkim who last attended the deceased if BAL <500
- Certificate of death issued by Parsee panchayat, Burial Certificate issued by Church authorities may be accepted if certificate can not be had from Municipality/local body/ Hospital etc.,

Check list for sanction of claim

- BPM/SPM/PM/Sr., PM has accepted the two witnesses in the claim application
- Account Particulars are correct and verified with our records (Account No., Name of Depositor, Balance, Nominee name if any., etc.,)
- ID Proof and address proof of claimant(s) submitted
- Death Certificate in original submitted / photo copy duly compared by PM
- Legal evidence is submitted (if No Nomination exist and claim exceeds 5 lakhs)
- (or)
- Annexure viz., (if No Nomination and No legal evidence)

Special procedures

1) Claim Closure with out PB

- refer the case to the Head of the Division
- Get orders of Divisional Head for Closure of a/c without PB
- Attach the order with the warrant of payment
- Make remarks in Ledger and other records

Special procedures

2. Claimant wants to continue the account

Can continue only after sanction of claim in case of RD/TD/SCSS/SC

- Claimant(s) may apply for issue of duplicate Passbook/ certificate in his/her /their own name after the claim has been admitted and sanction is issued by competent authority
- Furnish a new AOF
- If claimant does not have CIF, new CIF to be created as per procedure
- Then account will be transferred in name of legal heir by changing CIF in CBS application

Special procedures Cont..

3) Payment to Minor claimants –

- to the person appointed in the nomination to receive it.
- Where no nomination exist, Guardian (Father or Mother or a person entitled under law when neither parent is alive)
- Certificate to be furnished by the Guardian that the minor is alive and the money is required on behalf of the minor.
- If clear case of minor claimants where natural guardians have preferred claim, payment will be made to them without insisting upon production of Guardianship Certificate

Special procedures Cont..

4)All nominee(s) are not in a position to submit claim/ unable to attend office jointly

They may authorise nominee(s) to claim/ take payment and claimant nominee may submit disclaimer from other nominees in Form 14 along with other KYC documents.

Payment can be made to the claimant nominee(s)

Can be sanctioned the share of the claiming nominee(s)

Passbook will be in the custody of Postmaster

An intimation to be sent to other nominee(s) regarding this.

Special procedures Cont..

5) claims of holders not heard for 7 years

Holders not heard for more than 7 years – treated as dead

Disappearance of the holder of the account/ certificate has been established and the claimant is prepared to indemnify the Government against any adverse claim

Special procedures Cont..

6) Claim of Silent account

For reviving the silent account in name of deceased depositor, copy of sanction admitting the claim will be treated as application for revival.

It will be sent to HO/GPO along with passbook for issuing necessary sanction for revival

If it is necessary to revise/ revive a sanction for payment, the authority may permit the payment of interest on balance upto month preceeding the month of revival or revision of the sanction provided **if it is satisfied that delay was beyond the control of claimant**

Special procedures

7) If difference in name of deceased depositor

Claimant should give application describing the facts with support of documentary evidence(s) if any

Along with 2 witness with their ID and address proof

Head of the Division/ GPO/ Gazetted HO after satisfying himself with evidences, may issue Reconciliation Certificate in format prescribed.

What if claim submitted in any other PO?

- 1) GDS BPM/SPM/PM/Sr.PM/CPM/Director should accept :
 - the claim application form
 - Documents along with 2 witness
- 2) Forward the case along with all above to the PO where the account stands by SERVICE INSURED POST on day of its receipt
- 3) On receipt of claim form, PM will verify the same as per the procedure already discussed
- 4) After verification, concerned PM shall enter details of claim in deceased claim/ nomination register

What if claim submitted in any other PO?

- 5) Issue sanction for payment of balance to nominee(s) on claim form and send to that office
- 6) Obtain acquittance from claimant on claim form/ certificates and send back to PO where account stands by SERVICE INSURED
- 7) Payment office will close and crossed cheque should be sent to the PO by SERVICE INSURED. Details of the cheque should be noted on claim form.
- 8) In case claimants wants to credit into his POSB/ bank account(after option in Finacle) , he should mention the details in acquittance portion of claim form.

Claimant resides abroad

Payment to be made only to holder of power of attorney in India

No direct remittance will be made to claimant in foreign country

No need for verification of either death certificate or power of attorney issued by noted countries (list enclosed in rule 9(ii) of SB order 31/2020)

Dealing process

Same procedure as normal case , in addition:-

Letter of disclaimer from person residing in foreign country

Death certificate issued in a foreign country

Claimant resides abroad

Power of attorney executed in a foreign country, should have authentication by Indian consular Office in that country, if reciprocal arrangements under Section 14 of Notaries Act and HAGUE APOSTITLE CONVENTION do not exist between India and that country

If India has no consular relations with the country, authentication should be done by Magistrate of that country.

Documents if executed before a notary/solicitor/agency/ any authority competent under law of State of origin of above countries need no authentication from Indian consular office in that country

OPTIONS FOR CLAIMANTS ON SANCTION

SL NO	TYPE	OPTIONS	INTEREST ON CLOSURE/ CONTINUE
1	RD	Can continue till maturity	If continued till maturity, full value Else, as per RD table
2	TD	Can continue till maturity	TD rate for completed years POSA rate of int for completed month(s)
3	SCSS	Can continue till maturity by spouse if spouse is sole nominee and meets eligibility criteria and continue till maturity provided he/she does not have another SCSS a/c	SCSS int rate will be paid upto date of death of depositor After date of death to preceeding date of payment, POSA interest will be applicable

OPTIONS FOR CLAIMANTS ON SANCTION

Sl.no	TYPE	OPTIONS	Interest on closure / continue
4	KVP	Can continue till maturity	If till maturity, full maturity value If < 2.5 years – POSA for completed months After >2.5 years and < maturity – as per KVP table
5	NSC	Can continue till maturity	If till maturity, full maturity value If < 1 year, no interest will be payable If >1 year and < 3 years , POSA interest rate for complete month If > 3 years and before maturity, interest as applicable in relevant NSC table
6	SB	Cannot continue - close anytime	Int Upto preceeding month of closure
7	MIS	-do -	Int Upto preceeding month in which refund is made
8	PPF	-do -	PPF interest rate applicable upto preceeding month of payment made
9	SSA	- do -	SSA interest till date of death of depositor , POSA interest rate , after date of death till the day preceeding to date of payment

GENERAL CONDITION

- Claims relating to Savings Bank Accounts and Savings Certificates shall be treated as separate and the prescribed limit shall be applied separately;
- for each account or purchase application.

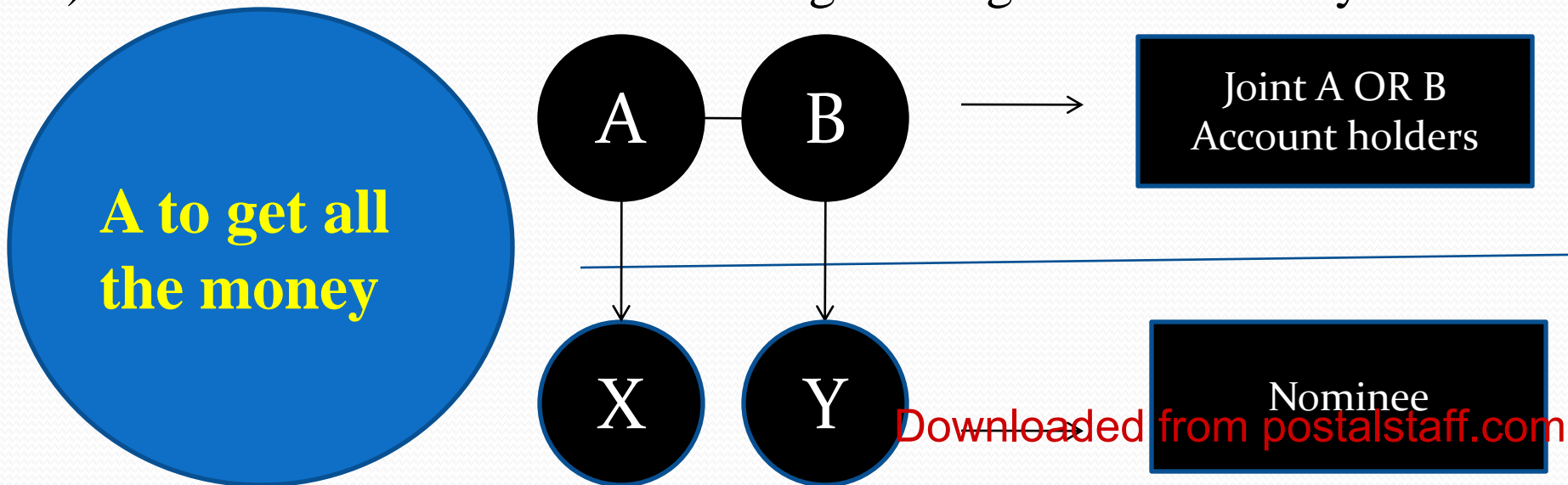
Exercises and cases: Case 1:

One Mis account opened by two depositors A and B (8 lakhs)

A and B are friends , A nominated his son X, B nominated his son Y

Suddenly B dies the in this case the eligible amount goes to:

- 1)4 lakhs to Y, and remaning 4 lakhs to A
- 2)All money goes to A and he can take amount exceeding 4.5
- 3)4 lakhs to X and 4 lakhs to Y
- 4)Account should be closed A is eligible to get all the money

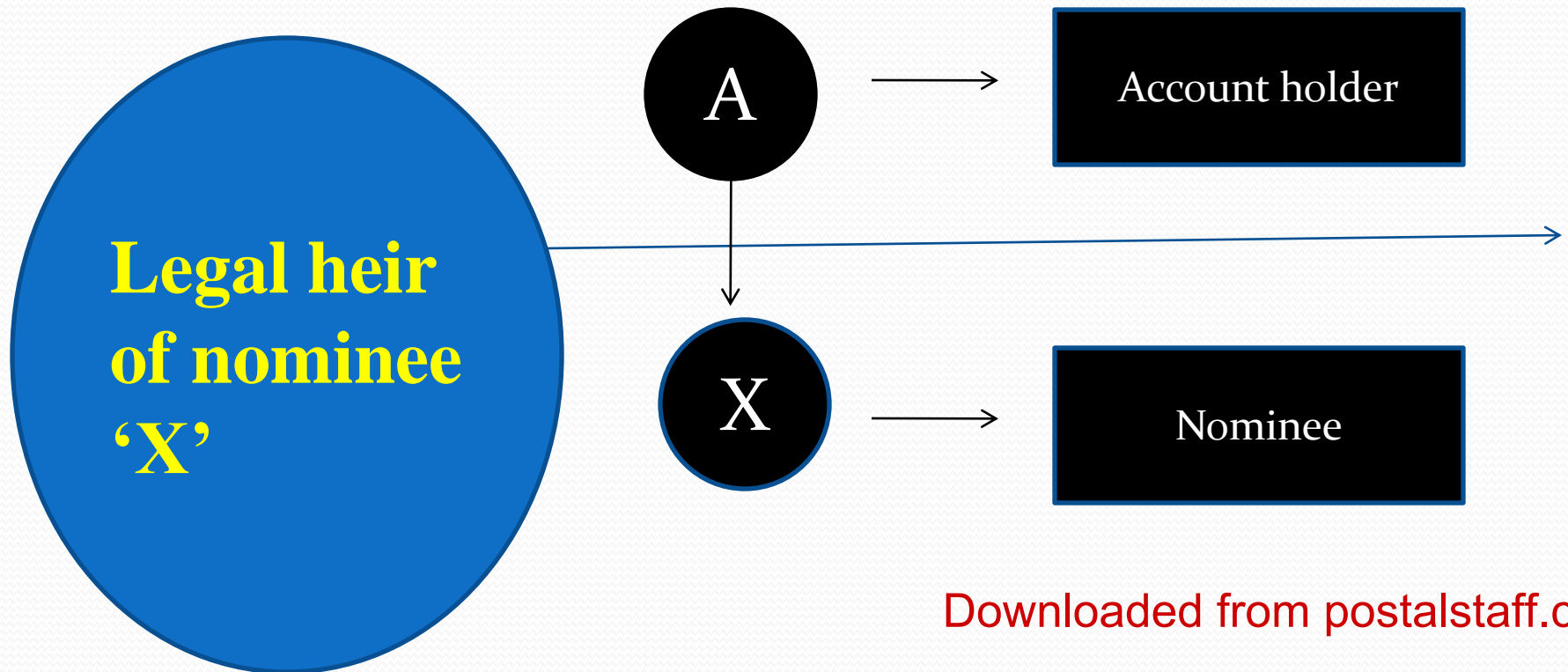


Exercises and cases: Case 2

Depositor – deceased first

1 month later , Nominee ‘X’ deceases Who is eligible to receive the amount

- 1) Legal heir of the depositor
- 2) legal heir of the nominee

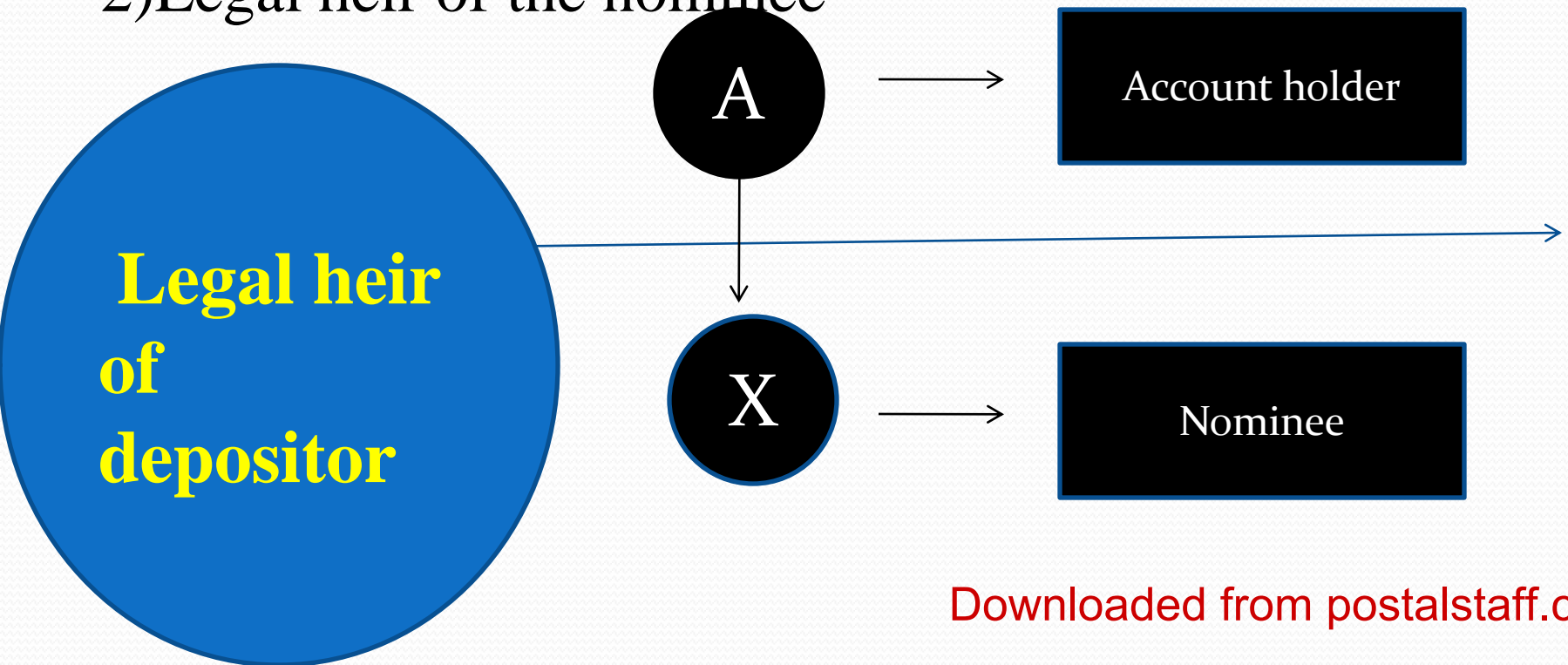


Exercises and cases: CASE 3

Nominee deceased first

Later 1 month Account holder deceases Who is eligible to receive the amount?

- 1) Legal heir of the depositor
- 2) Legal heir of the nominee



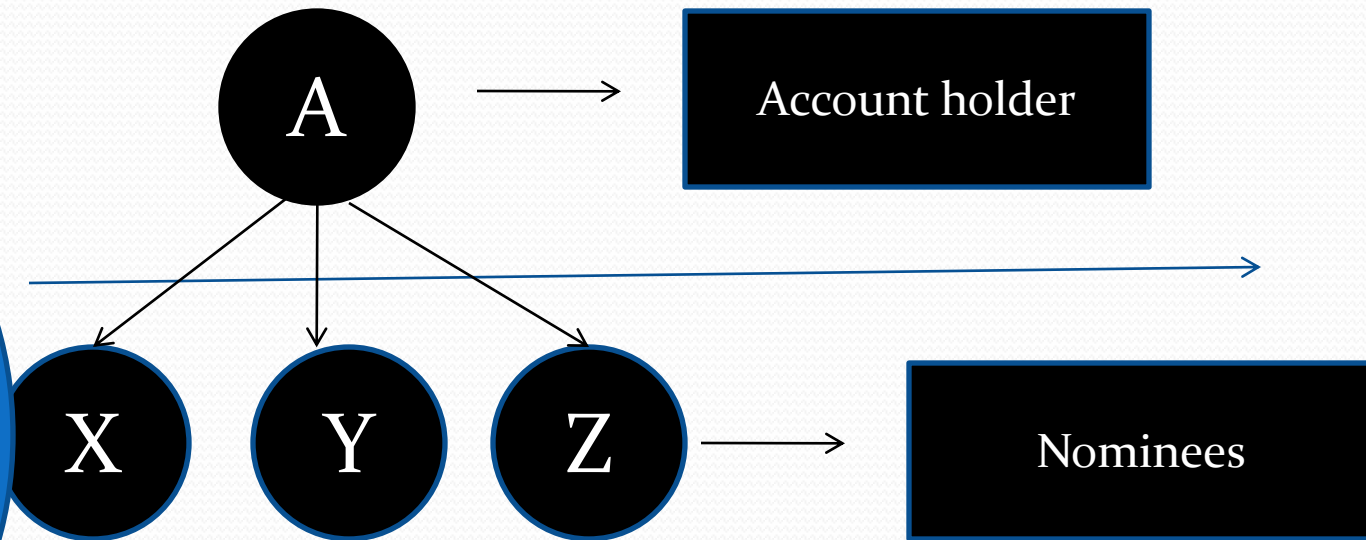
Exercises and cases: CASE 4

A was the account holder he nominated 3 persons X Y and Z

A dies first; X dies a month later- who is eligible to receive the amount ?

- 1) Legal heir of the depositor
- 2) Legal heir of X, Y and Z
- 3) Y and Z
- 4) Z only

Share of
Y & Z +
X/2 =
Y & Z



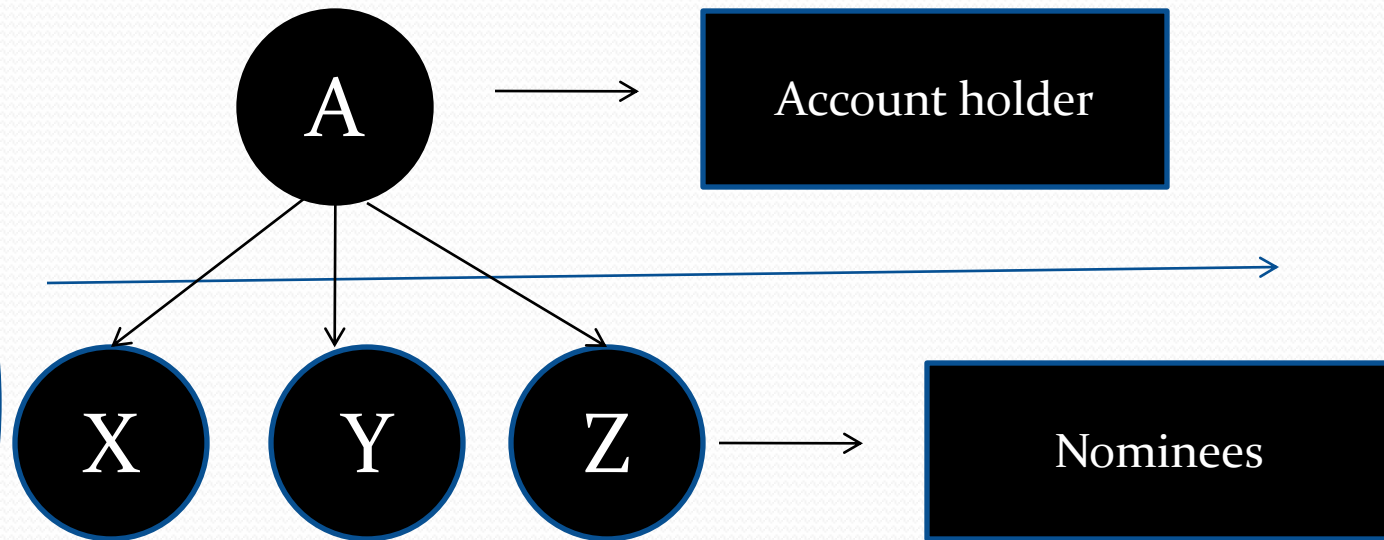
Exercises and cases: CASE 5

A was the account holder, he nominated 3 persons X, Y and Z

A dies first, X dies a month later; Y also dies 5 months later, now Z is the only person alive here, who is eligible to receive the amount ?

- 1) Legal heir of the depositor
- 2) Legal heir of X legal heir of Y and Z
- 3) Y and Z
- 4) Z only

**Z only
will get
full
money**



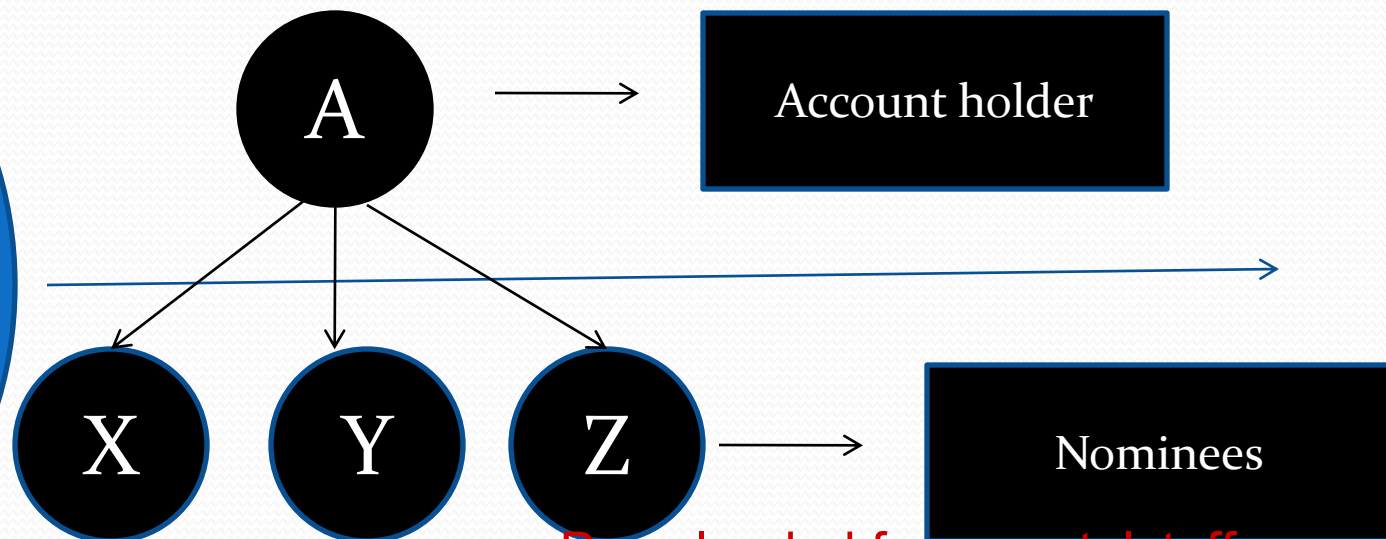
Exercises and cases: CASE 6

A was the account holder, he nominated 3 persons X, Y and Z

A dies first, X dies a month later ; Y dies 5 months later ,Z dies 10 months later , in this case who is eligible to get the money

- 1)Legal heir of the depositor A
- 2)Legal heir of X legal heir of Y and Legal heir Z
- 3)Legal heir of Z only
- 4)Legal heir of depositor and legal heir of Z

**legal
heir of
Z only**

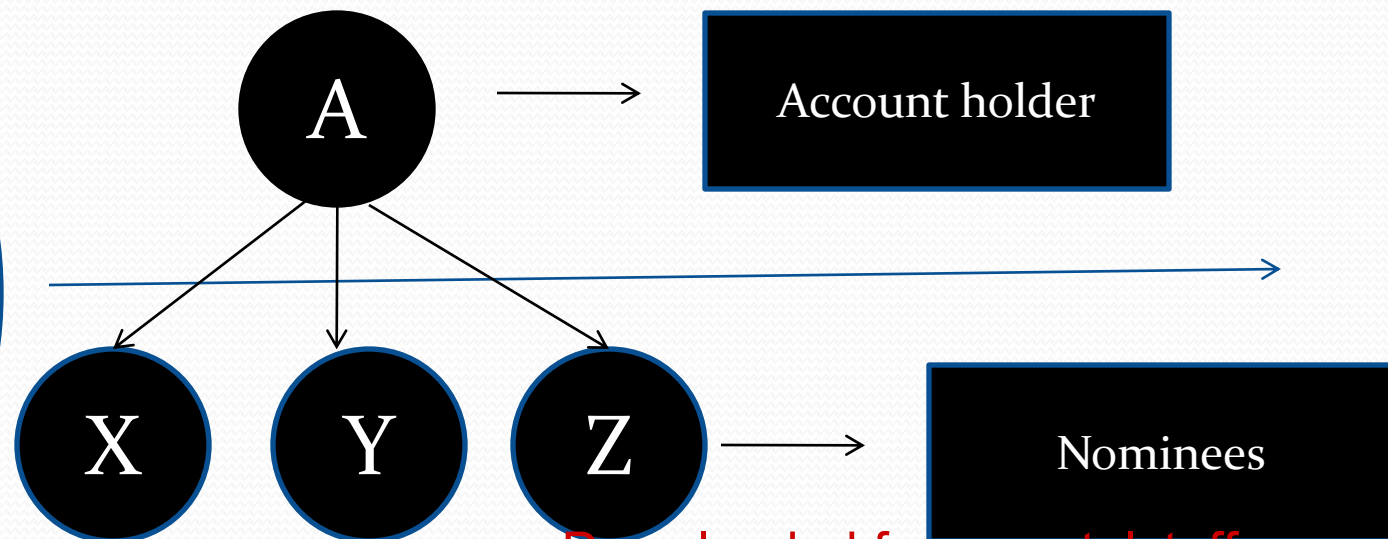


Exercises and cases: CASE 7

A was the account holder, he nominated 3 persons X, Y and Z
A dies first, X only coming and asking for his Share . What to do ?

- 1) Legal heir of the depositor A
- 2) Can settle the share of X
- 3) Ask X to bring Y and Z in order to settle the claim
- 4) X legal heir of Y and Legal heir of Z

**can
settle the
share of
X**



One RD Account opened in the name of minor operated by guardian(father).Father died after paying installments for 10 months. Now, mother requesting for closure as she is not able to pay the installments. - Comment

Should not do claim closure as the account holder minor is still alive

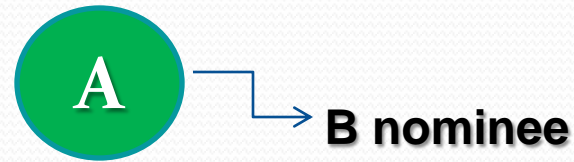
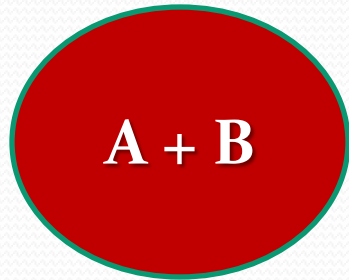
Death Closure in SCSS Account:

- In case of death,

Interest-SCSS interest upto date of death

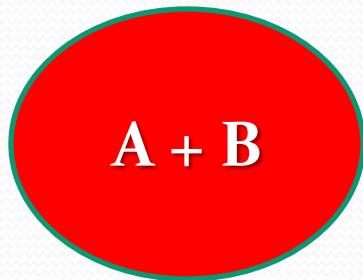
SB interest from date of death to date of closure

- Amount payable : to nominee or legal heir
- Spouse is the sole nominee or joint account holder, then spouse may continue the account, if spouse fulfills the eligibility conditions.
- If the spouse is having another SCSS account, then the deceased a/c holder account should be closed.



In the above SCSS, what if A dies ?

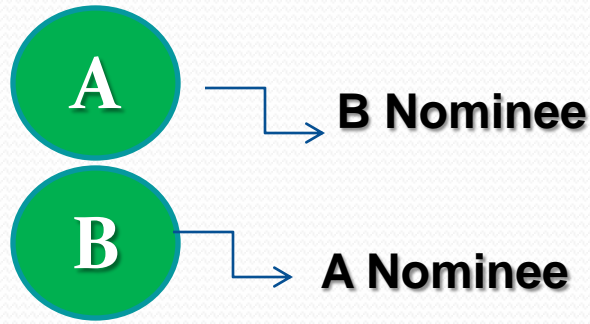
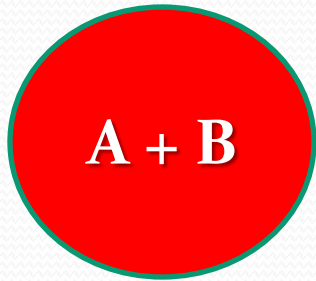
**B can continue both the accounts,
since B is not having separate
Single account.**



B Nominee

In above SCSS, What if B dies ?

A can continue both the accounts, since B is just second account holder.



In above SCSS,

What if A dies?

B Cannot continue Joint account and single account of A, since B is having Separate single account.

What if B dies?

A can continue Joint account (since B is just second holder) and Single account of A and not single account of B.

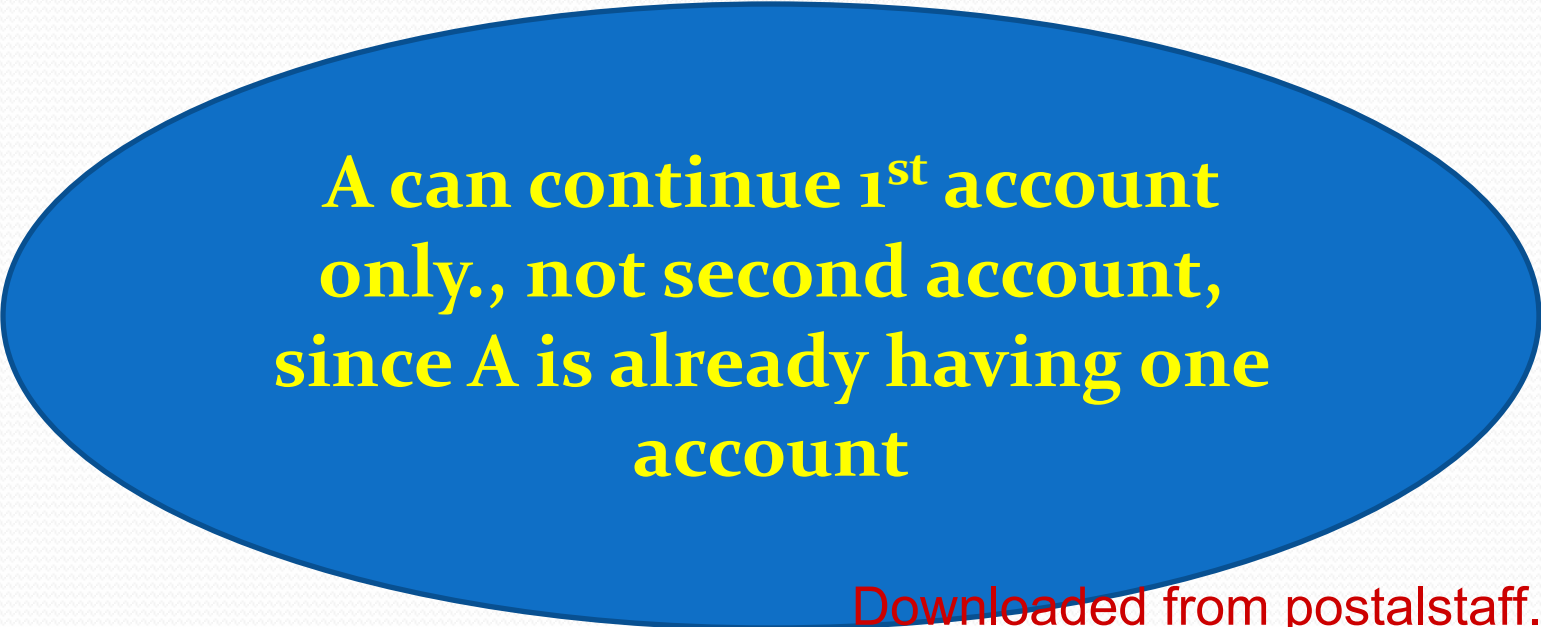
In this SCSS, What if B dies ?



$A + B$



$B + A$



A can continue 1st account only., not second account, since A is already having one account



Thankyou