



The Chief General Manager,  
State Bank of India,  
Local Head Office,  
All Circles/CAG/MCG/SAMG

S&P/SBS/5

Date- 02/11/2017

Madam/ Dear Sir,

**SETTLEMENT OF CLAIMS WITHOUT LEGAL REPRESENTATION IN RESPECT OF BALANCES HELD IN THE ACCOUNT(S) OF DECEASED CONSTITUENTS MEASURES FOR AVOIDING CUSTOMER COMPLAINTS**

Please refer to e-Circular No.- NBG/S&P-SP/10/2014-15 dated 17/11/2014, issued with a view to simplifying the procedure relating to disposal of balances held in deceased constituent's accounts without production of legal representation.

2. The guidelines laid down vide above mentioned circular are to be strictly complied by all branches in letter and spirit. The instructions regarding documents to be obtained from Claimant(s) are reiterated hereunder:

**(A) If the amount claimed (i.e. Total Balance+ Interest) is up to Rs 5.00 lakhs:-**

- a) Photocopy of the Death Certificate (Original shall be verified by the Bank)
- b) KYC documents of the legal heir(s).
- c) Account details of the Claimant(s), if available.
- d) Revised Claim Form duly filled and signed by the Claimant(s) other than those who have signed the Letter of Disclaimer.
- e) The Declaration in the Revised Claim Form regarding the legal heirs of the deceased is to be signed by-
  - i) One Independent person well known to the family of the deceased but unconnected with it and acceptable to the Bank **OR**

- ii) By any account holder (KYC complied) of the Bank known to the family of the deceased but unconnected with it **OR**
- iii) By any Govt. Official whose signature is verifiable by the Bank.
- f) Stamped Letter of Indemnity from the Claimant(s).
- g) Letter of Disclaimer (if applicable)

**(B) If the amount claimed (i.e. Total Balance+ Interest) exceeds Rs 5.00 lakhs:-**

- a) Photocopy of the Death Certificate (Original shall be verified by the Bank)
- b) KYC documents of the legal heir(s).
- c) Account details of the Claimant(s), if available.
- d) Revised Claim Form duly filled and signed by the Claimant(s) other than those who have signed the Letter of Disclaimer.
- e) Declaration in the Claim Form regarding the legal heirs of the deceased **has to be sworn as an Affidavit before the Judicial Magistrate or Notary Public** as per the format **COS-539 (Annexure-B)** as under :
  - i) By one Independent person well known to the family of the deceased but unconnected with it and acceptable to the Bank **OR**
  - ii) By any account holder (KYC complied) of the Bank known to the family of the deceased but unconnected with it **OR**
  - iii) By any Govt. Official whose signature is verifiable by the Bank.
- f) Stamped Letter of Indemnity from the Claimant(s) plus one Surety good for the amount **OR** two Sureties jointly good for the amount. **Any legal heir(s) who has signed the Letter of Disclaimer in favour of other legal heir(s) may stand as surety if he/she is independently good for the amount of claim.**
- g) Details of Sureties (with proof) for compilation of the Opinion Report on Sureties (as per Annexure-I)
- h) Letter of Disclaimer (If Applicable)

3. For ease of understanding of the instructions laid down in the above mentioned circular, a flow chart of the process of claim settlement in respect of account(s) of deceased constituents is annexed (**Annexure-A**).

4. It is observed that despite these instructions, legal heirs of the deceased customers occasionally face problems in settlement of claims, which in turn leads to

filing of complaints against Bank before various forums including litigation in courts. Recently, the Hon'ble District Court, Saket, New Delhi in their order dated 06/06/2017, has observed that" *Despite the order of this court and circular No. DBR.CO.Leg. No. 8399/090.7.007/2016-17 dated 18/01/2017 issued by RBI, several branches of SBI are failing to comply with guidelines with regard to settlement of deceased claim and legal heirs of deceased are harassed and made to run from pillar to post*".

5. In order to avoid such instances/ customer complaints, it has been decided to introduce the following measures:

- a. Every application for settlement of account(s) of a deceased constituent received at the branch should be duly acknowledged. If the documents are incomplete/ not in order or the claim is rejected, the same should be duly recorded along with reasons thereof, under advice to the Claimants and a copy of the communication should also be endorsed to the Controller. The Controller shall examine the reasons in the light of Bank's extant instructions and appropriately guide/instruct the branches, wherever felt necessary.
- b. Circles to designate a Scale III/IV officer under the DGM (PBBU) at LHO, who is well versed with all the guidelines of the Bank regarding settlement of account(s) of deceased constituent, as a Nodal Officer to - (i) monitor the implementation of Bank's guidelines in the matter and (ii) clarify the doubts of the branch/ operating staff. The contact number/email address of the Nodal Officer should be circulated to all the AOs/RBOs/Branches of the Circle.
- c. For the convenience of customers, the details/ process of settlement of claims without legal representation in respect of account(s) of deceased constituents, the specimen of prescribed forms as well as an updated FAQ for easy understanding have been uploaded on Bank's website ([www.sbi.co.in](http://www.sbi.co.in)), which should be given wide publicity by operating units.
- d. Nomination in accounts makes the settlement of claims in respect of deceased accounts a quick and hassle free process. As such, branches should endeavour to promote nominations in all new/existing accounts. PBBU Department to

advise all the branches to follow its instructions on nomination issued vide **Master Circular on Savings Bank and Master Circular on Term Deposits** and monitor the position on an ongoing basis so as to bring maximum number of accounts into nomination fold.

6. All other instructions contained in the above mentioned circular (**NBG/S&P-SP/10/2014-15 dated 17/11/2014**) remain unchanged.

7. Please bring the contents of the circular to the knowledge of all Branches/Offices under your control.

Yours faithfully,

Sd/-

(Prashant Kumar)  
Dy. Managing Director &  
Corporate Development Officer