

BANKING COMPANIES (NOMINATION) RULES, 1985

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BANKING COMPANIES (NOMINATION) RULES, 1985

In exercise of the powers conferred by Section 52, read with Section 45ZA, Section 45ZC and 45ZE of the Banking Regulation Act, 1949 (10 of 1949), and after consultation with the Reserve Bank of India, the Central Government hereby makes the following rules, namely:

1. Short title and commencement :-

- (1) These rules may be called the Banking Companies (Nomination) Rules, 1985.
- (2) They shall come into force on the date of their publication in the Official Gazette.

2. Nomination In respect of deposits :-

- (1) The nomination to be made by the depositor, or, as the case may be, all the depositors together in respect of a deposit held by a banking company to the credit of one or more individual shall be in Form DA-1.
- (2) The said nomination may be made only in respect of a deposit which is held in the individual capacity of the depositor and not in any representative capacity as the holder of an office or otherwise.
- (3) Where the nominee is a minor, the depositor or, as the case may be, all the depositors together, may, while making the nomination, appoint another individual not being a minor, to receive the amount of the deposit on behalf of the nominee in the event of the death of the depositor or, as the case may be, all the depositors, during the minority of the nominee.

(4) In the case of a deposit made in the name of a minor, the nomination shall be made by a person lawfully entitled to act on behalf of the minor.

(5) The cancellation of the said nomination to be made by the depositor or, as the case may be, all the depositors together, shall be in Form DA-2.

(6) A variation of the said nomination to be made by the depositor or, as the case may be, all the depositors together, shall be in Form DA-3.

(7) The said nomination to be made in favour of only individual.

(8)

(a) A nomination, cancellation of nomination or variation of nomination may be made as aforesaid at any time during which the deposit is held by a banking company to the credit of the depositor or depositors, as the case may be.

(b) In the case of a deposit held to the credit of more than one depositor, the cancellation or variation of a nomination shall not be valid unless it is made by all the depositors surviving at the time of the cancellation or variation of the nomination.

(9) The banking company shall acknowledge in writing, to the concerned depositor or depositors, the filing of the relevant duly completed Form of nomination or cancellation of nomination or variation of nomination, as the case may be, in respect of a deposit.

(10) The relevant duly completed Form of nomination or cancellation of nomination or variation of nomination filed with the banking company shall be registered in the books of the banking company.

(11) A nomination or cancellation of nomination or variation of nomination shall not cease to be in force merely by reason of the renewal of the deposit.

3. Nomination in respect of articles in safe custody :-

(1) The nomination to be made by an individual (hereinafter referred to as "the depositor") in respect of articles left in safe custody with a banking company shall be in Form SC-1.

(2) Where nominee is a minor, the depositor may, while making the nomination, appoint another individual not being a minor, to receive the said articles on behalf of the nominee in the event of the death of the depositor during the minority of the nominee.

(3) Where the articles are left in safe custody with banking company in the name of a minor, the nomination shall be made by a person lawfully entitled to act on behalf of the minor.

(4) The cancellation of the said nomination to be made by the depositor shall be in Form SC-2.

(5) A variation of the said nomination to be made by the depositor shall be in Form SC-3.

(6) The said nomination shall be made in favour of only one individual.

(7) A nomination, cancellation of nomination or variation of nomination may be made by the depositor at any time during which the articles so deposited are held in safe custody by the banking company.

(8) The banking company shall acknowledge in writing, to the depositor, the filing of the relevant duly completed Form of nomination or cancellation of nomination or variation of nomination, as the case may be, in respect of the articles so deposited.

(9) The relevant duly completed Form of nomination or cancellation of nomination or variation of nomination filed with the banking company shall be registered in the books of the banking company.

4. Nomination in respect of safety lockers :-

(1) The nomination to be made by an individual who is a sole hirer of a locker from a banking company shall be in Form SL-1.

(2) Where the locker is hired from a banking company by two or more individuals jointly, the nomination to be made by such hirers shall be in Form SL-1-A.

(3) In the case of a sole hirer of a locker, nomination shall be made in favour of only one individual.

(4) Where the locker is hired in the name of a minor, the nomination shall be made by a person lawfully entitled to act on behalf of the minor.

(5) The cancellation of the said nomination to be made by the sole hirer or as the case may be, joint hirers of a locker, shall be in Form SL-2.

(6) A variation of the said nomination to be made by the sole hirer of a locker shall be in Form SL-3.

(7) A variation of the said nomination to be made by the joint hirers of a locker shall be in Form SL-3-A.

(8) A nomination, cancellation of nomination or variation of nomination may be made by as aforesaid at any time during which the locker is under hire.

(9) A banking company shall acknowledge in writing, to the sole hirer or joint hirers, the filing of the relevant duly completed form of nomination or cancellation of nomination, or variation of nomination, as the case may be, in respect of the locker so hired.

(10) The relevant duly completed form of nomination or cancellation of nomination or variation of nomination Filed with the banking company shall be registered in the books of the banking company.