Banker customer Relationship

TRANSACTION	BANK	CUSTOMER
DEPOSIT	DEBTOR	CREDITOR
LOANS	CREDITOR	DEBTOR
LOCKER	LESSOR	LESSEE
	Licensor	Licensee
	Landlord	Tenant
SAFE CUSTODY	BAILEE	BAILOR
PURCHASER OF DD	DEBTOR	CREDITOR
PAYEE OF DD	TRUSTEE	BENEFICIARY
CHEQUE COLLECTION	AGENT	PRINCIPAL

Banker customer Relationship

TRANSACTION	BANK	CUSTOMER
STANDING INSTRUCTION	AGENT	PRINCIPAL
SALE/PURCHASE OF SECURITIES FOR CUSTOMERS	AGENT	PRINCIPAL
MONEY DEPOSITED BUT INSTRUCTIONS NOT GIVEN FOR DISPOSAL	TRUSTEE	BENEFICIARY
ARTICLES LEFTBY MISTAKE	TRUSTEE	BENEFICIARY

Banker customer Relationship

TRANSACTION	BANK	CUSTOMER
DISCOUNTING OF CHEQUE	HOLDER FOR VALUE	PRINCIPAL
PLEDGE	PAWNEE or Pledgee	PAWNER or Pledgor
MORTGAGE	MORTGAGE	MORTGAGOR
ASSIGNMENT	ASSINGEE	ASSIGNOR
Wrong credit given By bank and amount Yet to be recovered	Beneficiary	Trustee

Customer Complaint Resolution Ombudsman

- RBI – Integrated Ombudsman Scheme (RBI- IOS) wef 1.7.2026 **461/2026**
- Complaints can be lodged on line in RBI Complaint Monitoring System (CMS)portal (https://cms.rbi.org.in) or
- Email crpc@rbi.org.in
- Physical form to be sent to Centralised Receipt and Processing centre at Chandigarh
- Advocates should not be used.
- Before rejecting any complaint, bank to get the views of internal ombudsman

Customer Complaint Resolution Ombudsman

- A complaint can be lodged with Banking ombudsman if
- no reply has been received from the Bank within the timeline prescribed by RBI/NPCI/Card Network guidelines (wherever applicable) or within 30 days of receipt of the complaint by the Bank, whichever is later; or the Complainant is not satisfied with the reply/resolution received from the Bank; and
- the complaint is made to the RBI Ombudsman within 90 days from the date on which the timeline specified above expires or the date of the last communication from the concerned Bank, whichever is later; and;
- the complaint to the Bank was made before the expiry of the period of limitation prescribed under the Limitation Act, 1963, for such claims.

Customer Complaint Resolution

- If any details asked by ombudsman the same to be submitted by the bank within 15 days.
- Otherwise bank will loose the right to appeal on the order issued by Ombudsman
- Though 15 days time is given, RBI expects banks to reply within 7 days.
- Branches to reply within 5 days of receipt of complaint from ombudsman
- RO to CO within 7 days of receipt of complaint from ombudsman

Customer Complaint Resolution

- Cos to upload the reply in CMS portal within 15 days
- If more time is required to be taken up with ombudsman before expiry of 15 days.

Customer Complaint Resolution

- Once the award is issued customer can accept the award or appeal within 30 days of receipt of the award.
- Bank can settle the award within 30 days from the date of receipt of acceptance of award from the customer or can prefer appeal.
- ED or the person authorized by him only can appeal

Customer Complaint Resolution Ombudsman

- Executive Director of RBI in charge of Consumer Education and Protection Department of RBI is the appellate authority.
- The Principal nodal officer for representing the bank in Ombudsman cases is CGM Operation wing.
- No monetary ceiling on the value of disputes that may be considered under the scheme
- Ombudsman can award maximum Rs 30 lac and another Rs 3 lac for loss of complaint time mental agony etc.

Monetary Policy committee

- ✓ The RBI follows a Flexible Inflation Targeting (FIT) framework, aiming for a Consumer Price Index (CPI) inflation target of 4% with a tolerance band of +/- 2% (2% to 6%) through bi monthly monetary policy,
- ✓ MONETARY POLICY COMMITTEE DECIDES THE RATES – MP Committee as per sec 45ZB of RBI act
- ✓ There are 6 members in the committee three from RBI including the Governor and 3 appointed by Government. The appointed members will be in office for a period of 4 years
- ✓ Each member has a vote. In case of tie the Governor has a second or casting vote.

Rates

- ✓ The MPC to meet atleast 4 times in a year with a quorum of 4 members.
- ✓ the committee meets bi monthly.
- ✓ Monetary Policy Committee announces the rate on a bi monthly basis. – Apr, June, Aug, Oct, Dec & Feb every year. – Oct 5th 7th 2026 latest
- ✓ Repo rate is also called policy rate. 5.50%
- ✓ Repurchase Option Rate
- ✓ Fixed Reverse Repo Rate 3.35%
- ✓ Marginal Standing Facility Rate (MSF) 5.75%

Rates

- ✓ MSF Came into effect wef May 2011Banks can borrow overnight upto 2% of their NDTL. MSF will be more than Repo to bring monetary discipline among banks
- ✓ Bank rate and MSF rate are the same
- ✓ Standing Deposit facility rate -An absorber rate placed at 25 bps below the repo rate without collateral requirements. Wef April 2022 5.25%
- ✓ When repo operates injection of liquidity of into the system.
- ✓ When repo is increased cost of borrowings for banks will increase
- ✓ When RTGS/NEFT not credited within the prescribed time the penalty banks to pay is Repo rate + 2%

Ratios

- ✓ CRR IS ON NDTL(AS PER SEC 42 (1) OF RBI ACT 1934 – RBI CAN FIX CRR WITHOUT ANY FLOOR OR CEILING.
- ✓ CRR IS MAINTAINED AS CASH BALANCES WITH RBI.(Chest balances + balance in CA of RBI)
- ✓ CRR reduced in a phased manner from 4% to 3% between Sep and Nov 2025
- ✓ MINIMUM DAILY maintenance in a fortnight is 99% OF THE TOTAL RQUIREMENT wef 16.10.2026

Ratios

- ✓ No interest on CRR balances from RBI
- ✓ Penal interest at 3% Pa above Bank Rate for one day short fall in a fortnight on the amount of short fall.
- ✓ Penalty for MORE THAN A DAY in a fortnight 5%Pa on the short fall
- ✓ If short fall is noticed in a fortnight penalty as per Sec 42 (3) of RBI Act
- ✓ Increase in CRR reduces the liquidity in the system

Ratios

- ✓ **STATUTORY LIQUIDITY RATIO:**
- ✓ **(Sec 24 (2A) of BR Act 1949**
- ✓ **Min 0 – Max 40% on NDTL**
- ✓ **To be maintained on Daily basis in the form of Gilt (Govt) securities**
- ✓ **WEF 11.4.2020 the SLR is 18.00%**
- ✓ **Penalty for not maintaining is same penalty as that of CRR**

Types of Charges

Immovable	L&B	Mortgage	Sec 58 of TP
Actionable	BD/ FD	Assignment	Sec 130 of TP
Claims	LIC/NSC		
Movable	Stock/Veh P&M	Hypothecation	SARFAESI
Movable	Gold ornament	Pledge	172 of ICA
Paper			
Securities	Shares	Lien	170/171 of
	Debentures		Indian CA
	Units of Mutual Fund		

Kinds of Charge

- Bailement is defined in Sec 148 of ICA
- Actionable claim is defined in Sec 3 of TPA
- A mortgage other than Equitable Mortgage of Rs 100 and above must be a registered one Sec 59 of TP Act
- Such document is to be presented within 4 months from date of execution for registration to Sub Registrar of Assurances (Registrar can increase the period by 4 more months) Sec 23 of Indian Registration Act 1908

Limitation Period

- ✓ **Loans secured by Mortgage: 12years from the due date of instalment for term loan . For running account 12 years from the date of document.**
- ✓ **Recovery of loss caused by Fraud: 3 years from the date of detection of fraud**
- ✓ **Right of foreclosure: 30 years when money becomes due.**
- ✓ **Deposit accounts: 3 years from the date of demand.**
- ✓ **Appeal to high court against lower court**
- ✓ **90 days from the date of decree**

Limitation Period

- ✓ **Execution of decree: 12 years from the date of decree**
- ✓ **Period of Stay in abroad can be excluded for limitation purposes**
- ✓ **In EL limitation period upon commencement of repayment period**
- ✓ **If limitation expires on a day when court is on holiday suit is to be filed on the date of opening of the court.**
- ✓ **The limitation period for Govt dues 30 years.**

Nomination – HO Circulars

804/2025	RBI modified nomination
813/2025	Modification in Bank guidelines
848/2025	Introduction of new form and FP in CBS
865/25	Enabling nomination through BC model in Social Security Schemes
895/2025	Nomination in PMJDY, RD and Term deposit opened through BC model
82/2026	Service Charges in nomination
176/26	Nomination in Locker through MB and IMB Channels

Settlement of Death claim with or without Nomination– HO Circulars

Policy 56/2026	Death Claim Policy 2026-27
192/2026	Settlement of Death Claim
207/2026	SOP for death claim

Nomination - Eligibility

- ✓ Deposit, Locker, Safe Custody Articles eligible for nomination in our Bank
- ✓ Accounts in the name of individuals
- ✓ Deposit accounts in the name of Individuals (either single or Joint) only are eligible for nomination – Irrespective of operative/Repayment Condition
- ✓ Locker accounts are eligible for nomination if locker in Single name or Joint Names

Nomination - Eligibility

- ✓ Safe custody article- If deposited in single name only nomination is allowed.
- ✓ Proprietorship accounts also eligible for nomination.
- ✓ In Gold loan also borrowers can nominate and the nominee is entitled to receive the ornaments. Only single nominee is permitted in Gold Loan – Minor can not be a nominee in Gold Loan

Nomination - Eligibility

- ✓ Accounts in representative capacity not eligible for nomination (HUF, Partnership, Trust, Company , Societies)
- ✓ Minor account represented by guardian is eligible for nomination. Guardian to sign
- ✓ Minors can not nominate for his self operated account – if he insists???

TRANSACTION	REGISTRATION	SETTLEMENT		
DEPOSIT	45ZA	45ZB		
SAFE CUSTODY	45ZC	45ZD		
LOCKER	45 ZE	45 ZF		
TRANSACTION	TYPE	NUMBER OF NOMINEE		
DEPOSIT	SING / JOINT PROPRIETERSHIP	Four		
SAFE CUSTODY	SINGLE/PROSHIP For Joint No nomination	Four		
LOCKER	Single, Joint PROPRIETERSHIP	Four		
Successive Nomination	Section 45ZG			

Nomination

- ✓ For Registration, variation or Cancellation of Nomination Form to be used **NF 1099** (all old forms dispensed with)
- ✓ Customer does not need nomination have to specify in the account opening form. If they refuse bank officials to make a note duly authenticated.
- ✓ Acknowledgement for registration cancellation or variation of nomination to be given within **3 working days**.

Nomination

- ✓ **Similarly if nomination request is found to not to be in conformity with the provisions of the Act or rules and if rejected bank to inform the customer the reasons for such rejection within 3 working days.**

Nomination – Eligibility

- ✓ An insolvent person/insane can not nominate
- ✓ Witness for nomination is needed only for illiterate account holders
- ✓ Printing of "Nomination Registered" is mandatory in Deposit receipt and Pass Books.
- ✓ Branches to indicate the name of the nominee (s) in the pass book / Statement of Accounts and in Term Deposit Receipts **(New Guideline)**

Nomination – Who can be nominee?

- ✓ Nominee to be an individual only- HUF and others like company, firm, trust, Proprietorship etc can not be nominees
- ✓ Nominee can be a minor – Person to receive the money to be indicated
- ✓ For gold loan minor can not be nominee
- ✓ All account holders have to sign the nomination form.
- ✓ Nomination can be cancelled, varied any number of times with the consent of all account holders with a service charge. **82/2026**
- ✓ Nominees are the trustees of legal heirs.

Nomination – Who can be nominee?

- ✓ A proprietorship account can nominate but it can not be nominee
- ✓ Minor can not nominate but he can be a nominee
- ✓ Nominees are single individual
- ✓ Nominee can be any individual- need not be relatives
- ✓ Illiterates can nominate and can be nominees also
- ✓ Nominee need not sign in nomination form
- ✓ KYC details of nominees optional at the time of nomination. (Refer NF 1099)

Nomination – Number of nominees WEF 1.11.2025

- ✓ **Simultaneous Nomination: Upto 4 persons can be nominated mentioning the share of each with a total of 100% (only for deposit accounts)**
- ✓ **Successive Nomination: Customers can nominate upto 4 nominees where the next nominee becomes operative only upon the death of the nominee placed higher. (deposit and locker and safe custody 45 ZG)**
- ✓ **EG: Nominee 1 Nominee 2 Nominee 3 Nominee 4**
- ✓ **As long as nominee 1 alive he/she will get 100% share. If No 1 is not alive at the time of claim settlement and if number 2 alive he or she will get 100%.**

Nomination – Number of nominees

- ✓ If the order of nomination is not mentioned, persons shall be deemed to have been nominated in the order in which their names appear in the nomination form.
- ✓ Nominees details can be captured in CBS FP BX 526 for one or more persons not exceeding four as nominees either successively or simultaneously. (**NEW**)

Nomination – Number of nominees

- ✓ For deposit accounts either simultaneous or successive nomination can be opted for.
- ✓ If simultaneous nomination is opted for deposit, if one nominee dies at the time of claim settlement his share only will be deemed to be not nominated and death claim without nomination will apply
- ✓ For Locker and Safe custody articles only successive nomination permitted. **(45ZG)**
- ✓ Branches to settle nomination irrespective of amount as well as Safe deposit article and also in respect of Lockers

Nomination Facility through BC

- ✓ Nomination facility is enabled at BC Channel for enrolment of Social Security Schemes ie PMJJBY and PMSBY. (863/2025)
- ✓ Introduction of multiple nomination facility (not more than 4) during opening of SB PMJDY, RD and Term Deposit accounts through Business Correspondent (BC) Channel either successively or simultaneously. (895/2025)

Service Charges for Nomination 82/2026

- ✓ **No charges for registering single or multiple nomination upto 4 in the new accounts**
- ✓ **If the existing account has no nomination upto 4 nominations can be made without any charges**
- ✓ **If nomination already exists in the existing accounts customers may add additional nomination not exceeding total of 4 nominations including the existing one without any charge provided there is no modification or cancellation of the existing nominee except changing percentage share or the order of priority ie existing nominee to continue**

Service Charges for Nomination 82/2026

- ✓ Subsequent modification or cancellation or variation like name, changing the percentage of share or changing the order of priority of the nominees will attract a chare of Rs 100 plus applicable GST per instance. 82/26
- ✓ 176/2026
- ✓ Introduction of nomination facility through Mobile Banking and Internet banking for locker accounts
- ✓ Available for individual locker accounts and locker accounts with Either or Survivor clause.

Nomination Settlement of Claim Deposit Account

- **Deposit Accounts (irrespective of amount) 192/2026 & Death Claim Policy 56/2026 & SOP for death claim 207/26**

✓ **In single named deposit account with nomination nominee(s) right arises upon the death of the depositor**

✓ **In joint operative deposit accounts (SB &CA) with nomination, irrespective of operative condition nominee (s) right arises only upon the death of all depositors.**

✓ **In joint term deposit accounts (FD,KD etc) with nomination, irrespective of repayment condition nominee (s) right arises only upon the death of all depositors.**

Nomination Settlement of Claim Deposit Account

- Documents for Claim Settlement Irrespective of amount
- Death Certificate (Mandatory)
- Claim form signed by nominee (s) Annx V of HO Cir 192/2026 (form No NF 1100) (Mandatory)
- Nominee Signature to be witnessed only if nominee affixes thumb impression
- Officially Valid document of the nominee towards identifying his or her identity (Mandatory)
- Original Term Deposit Receipts / Duplicate (if original is lost) (Mandatory) How duplicate to nominee??

Nomination Settlement of Claim deposit Account

- ✓ Pass book of the deceased (Optional)
- ✓ Nominee Account details where the claim amount to be credited.

Nomination Settlement of Claim Deposit Account

- ✓ **Branches not to insist on any documents like Succession Certificate, Probate, or seek any bond of indemnity / surety form the nominee(s) third party irrespective of the amount of deposit (HO Cir 192/2026)**
- ✓ **Earlier the claim form for settlement of nomination is NF 147 irrespective of the amount. This form with the signature of the nominee to be attested by a magistrate or judicial officer or a bank officer, a officer of central or state govt or a two well known persons acceptable to the bank. This is not required in the revised guidelines irrespective of amount of deposit under nomination**

Nomination Settlement of Claim Deposit Account

- ✓ Stamped receipt from the nominee irrespective of amount –
- ✓ Rs 20000 & above through Account
- ✓ When legal heir and nominee approaches the bank claim to be settled in favour of the nominee
- ✓ Nominee receives the money as the trustee of legal heir
- ✓ But if there is a succession certificate or Probate holder approaches the bank or if there is a court order restraining the bank from making payment to nominee bank has to abide by the succession certificate, Probate or Court order

Nomination Settlement of Claim Deposit Account

- ✓ Post settlement of the deposit account, in case any credit is received in the name of the deceased depositor branches shall return to the remitter with the remark "Account holder deceased" and intimate the nominee(s), survivors or legal heirs.

Nomination - Deposit

Name	Operation / Repayment Condition	Nominee	Situation	What to be done
A	Self	X	X dies	A can change nomination
A	Self	X	A dies	Pay to X
A,B	EoR with survivorship clause	X	A or B dies	Pay to the Survivor
A,B	EoR	X	A & B dies	Pay to X
A,B	Jointly	X	A or B dies	Pay to the survivor along with legal heir of deceased
A,B	Jointly	X	A and B dies	Pay to X

In deposit accounts nominee right arises upon the death of all depositors

Nomination Settlement of Claim Safe Deposit Lockers and Safe Custody Articles

- Nomination by Sole locker hirer - settle the claim to the nominee(s) upon the locker hirer death
- If locker is hired jointly with survivorship clause and the hirers instructed that locker access to be given to EoR, FoR, LoR, AoR, and if the locker hirers nominate any individual(s), upon the death of any one or more of the locker hirers claim to be settled in favour of the survivor(s).
- Nominee(s) right arises upon the death of all locker hirers

Nomination Settlement of Claim Safe Deposit Lockers and Safe Custody Articles

- If locker hired jointly with joint operation condition, and if the locker hirers nominate any individual (s) in the event of death of any one or more of the locker hirers, claim to be settled jointly in favour of the surviving locker hirer(s) along with nominee (s). (Explain Deposit Account with nomination)
- Nominee(s) right arises upon the death of any one of the joint locker hirers

Nomination Settlement of Claim Safe Deposit Lockers and Safe Custody Articles

- Safe custody article nomination is possible only if it is deposited in single name
- So upon the death of the person who deposited the article under safe custody claim to be settled in favour of the nominee

Nomination Settlement of Claim Safe Deposit Lockers and Safe Custody Articles

- Documents Required:
- Claim form Annx V (NF 1100) of HO Cir 192/2026
- No need for any third party guarantee / surety/ attestation of the nominee signature by magistrate or notary or two respectable person known to the bank etc in claim for NF 1100 which was there in NF 147
- Death Certificate of deceased locker hirer
- OVD of the nominee

Nomination Settlement of Claim Safe Deposit Lockers and Safe Custody Articles

- Inventory of the contents of the locker in the presence of nominee or his authorized representative and two independent witnesses (should not be employee or exemployee of our bank), locker custodian along with another officer not associated with locker operations to be taken as per **Annx X of HO Cir 192/2026**
- For settlement of claim under Safe custody article all the above details to be obtained and inventory as per **Annx XI of HO Cir 192/2026** to be obtained
- Stamped receipt to be obtained

Nomination - Locker

Name	Operation Condition	Nominee	Situation	Settlment of claim
A	Self	X	X dies	A can change nomination
A	Self	X	A dies	Settle to X
A,B	EoR with Survivorshipclause	X	A or B dies	Settle to Survior
A,B	EoR with clause	X	A & B dies	Settle to X
A,B	Jointly	X	A or B dies	Surviving Locker hirer with X
A,B	Jointly	X,Y	A or B dies	Surviving Locker hirer with X & Y
A,B	Jointly	X	A and B dies	Access to X.

Nomination – Safe Custody article

Name	Operation Condition	Nominee	Situation	What to be done
A	Self	X	X dies	A can change nomination
A	Self	X	A dies	Give to X

For Jointly deposited Safe custody article Nomination is not permitted

Misc Points in nomination

- Death claim of deposit accounts with nomination irrespective of amount of deposit to be settled by branches.
- Safe deposit locker and safe custody article with nomination branches to settle the death claim
- The effective date of the new guidelines is 31.3.2026
- **Claims in respect of missing person with nomination:**
- Order from a competent court as per section 110 or 111 of the Bharatiya Sakshya Adhiniyam 2023.
- Guidelines for settlement are as applicable for a deceased customer.
- Court order declaring the death of the account holder to be obtained in lieu of death certificate.

Misc Points in nomination

- To avoid inconvenience to the common person our bank has fixed Rs 1 lac as a threshold limit where the aggregate amount payable including interest as on the date of application is upto Rs 1 lac, a copy of FIR and non traceable report issued by Police authorities in lieu of death certificate can be obtained and claim can be settled.
- On line lodgement of death claim by nominee in DCS Web portal
- Base branch is the one where the operative CASA account of the deceased is maintained and it is responsible for settling the claim

Misc Points in nomination

- If the deceased is having CASA in more than one branch, the branch having the last operative CASA account will be referred to the base branch.
- Original documents to be produced / submitted in any branch of the bank customer can choose through web portal while lodging the claim.
- Once customer lodges the documents in the portal he gets an SMS with URN No for online tracking
- Original documents to be presented for verification at the branch within 5 days of lodging the claim in the portal
- Once all documents are verified the TAT for settlement of claim is 15 days from the date of acceptance.

Misc Points in nomination

- Sanctioning authority to raise querry if any within 3 days of acceptance of documents
- Claimant to submit the reply within 5 days otherwise the claim will be rejected
- The reply submitted by the claimanant to be accepted within T+1day where T is the date of submission of reply otherwise reply will be auto accepted.
- If sanctioning authority not satisfied with the reply he has to reject
- The overall TAT of 15 days from the date of acceptance to be complied

Misc Points in nomination

- In cases where documentary evidence of nomination is not available in branches but claimants are able to establish and provide with the supporting document like acknowledgement given by the branch at the time of registration of nomination by the deceased such claims to be settled by RO Head for branches reporting to RO and by DGM over seeing legal section at CO for branches reporting to CO
- For reasons beyond the control of branches like fire,earth quake etc where records are destroyed branch to intimate the customer to recreate nomination

Misc Points in nomination

- **Time Line for Settlement of claim:**
- **Deposit accounts within 15 calendar days from the date of receipt of all documents from the claimant. If the delay is beyond 15 days and attributable to the bank, interest at prevailing Bank rate + 4 % pa on the settlement amount due for the period of delay. The prevailing bank rate will be the rate on the date of receipt of all documents by the bank.**
- **Locker and Safe custody article branches to process the claim within 15 days of receipt of all the required documents and communicate the claimants for fixing the date for making inventory of the locker / articles in safe custody.**

Misc Points in nomination

- If dates are not fixed for making inventory within 15 days compensation at the rate of Rs 5000 per day to be paid.
- **Proof of Death Outside India:**
- Death Certificate issued by authorities outside India
- Original Certified copy by any one of the following persons certified in the country of its issuance.
- Authorized officials of the overseas branches of Scheduled Commercial Banks registered in India

Misc Points in nomination

- Branches of overseas banks with whom Indian banks have correspondent banking relationship
- A court magistrate or Judge or Notary Public
- Consularised by Indian embassy / Consulate General in the country of issuance
- Apostilled.
- A legal document issued in one country to be used in another country
- Both the countries should have signed 1961 Hague Convention treaty.

Misc Points in nomination

- It is an official certificate from a Govt Authority.
- Example Death certificate issued in India
- If it is to apostilled in India to be used in another country the Govt authority to do this Ministry of External Affairs.
- Similarly every Country which signed the Hauge Convention will designate a Govt authority
- From that authority the document to be apostilled

Misc Points in nomination

- **Payment of interest:**
- **If term deposit is in the name of a deceased individual customer or two or more depositors where either one or more than one or all joint depositor dies interest will be paid as under:**
- **If the deposit is not claimed till maturity interest will be paid on the contracted rate**
- **In case of premature withdrawal by the claimant interest will be paid at applicable rate as on the date of acceptance of deposit for the period the deposit remained with the bank without any penal charges.**

Misc Points in nomination

- Death of depositor before the date of maturity of deposit and amount is claimed after maturity then:
- Till maturity contracted rate will be paid and from the date of maturity till payment simple interest will be paid prevailing on the date of maturity on the maturity amount.
- If depositor died after maturity on the maturity amount simple SB interest prevailing on the date of maturity of the deposit on the maturity amount to be paid for the period deposit remained with the bank beyond maturity

Misc Points in nomination

- ✓ In case of NRE and FCNR deposits if the claimants are residents the deposit on maturity will be treated as domestic deposit till claim settlement interest will be paid as applicable to domestic deposit
- ✓ Current Account in the name of deceased individual depostior:
- ✓ Int to be paid from 1.5.1983 or from the date of death of depositor which ever is later till the date of payment to the claimant at the SB interest prevailing on the date of payment.

Misc Points in nomination

- ✓ Claims of Non Resident Accounts:
- ✓ Claims to be settled as applicable to domestic deposit accounts.
- ✓ If death is in abroad for death certificate guidelines to be followed
- ✓ Non Resident Nominee -
- ✓ The deceased depositor is non resident at the time of death.
- ✓ The nominee is non resident at the time of claim settlement.

Misc Points in nomination

- ✓ If these two conditions are satisfied claim amount can be repatriated to the nominees account abroad.
- ✓ If not prior permission from RBI is required.
- ✓ Claim amount can be credited to NRO account of the nominee also and it can be utilized freely in India.
- ✓ Nominee is Resident:
- ✓ Amount to be credited to the rupee account of the nominee in India.

TYPES OF CHARGES

Immovable	Land and Building	Mortgage	Sec 58 of TP Act
Actionable Claim	Book debts, LIC. NSC, FDs	Assignment	Sec 130 of TP Act
Movable	Stock, Vehicle, P&M	Hypothecation	Sec 2 of SARFAESI Act
Movable	Gold Ornament	Pledge	172 of ICA
Paper Securities	Shares, Debentures, Units of Mutual Funds	Lien	170/171 of ICA

Kinds of Charge

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Limitation Period

- ✓ Period of Stay in abroad can be excluded for limitation purposes
- ✓ In EL limitation period upon commencement of repayment period
- ✓ If limitation expires on a day when court is on holiday suit is to be filed on the date of opening of the court.
- ✓ The limitation period for Govt dues 30 years.
- ✓ Limitation not applicable for Lien, Pledge and Right Off Set Off
- ✓ **Execution of decree:** 12 years from the date of decree

Partnership

- ✓ The law relating to Partnership firm is codified in Indian Partnership Act 1932.
- ✓ No of partners is as per Sec 464 of Companies act 2013 –Max 100. By rules limit can be prescribed but it can not exceed 100
- ✓ Rule 10 of Companies rules 2014 – Max 50
- ✓ Persons having legal capacity to contract only can enter into a partnership.
- ✓ A company or another partnership firm can be a partner in another partnership firm
- ✓ Minor, insolvent, insane, cannot be partners

Partnership

- ✓ As per Supreme court judgement HUF cannot be a partner – since HUF is not a legal entity.
- ✓ NBFC can not be a partner as per RBI directions.
- ✓ Minor admitted to benefits will not be counted for the number of partners..

Partnership

- ✓ When a firm is a partner in another firm, the individual number of partners will be counted for the total number of partners.
- ✓ When a company is partner the number of the firm will increase by one.
- ✓ Minor is admitted to the benefits of partnership and his liability is limited to the extent of his share in the firm (he is not liable personally).

Partnership

- ✓ If the firm has become insolvent his share lies with official receiver.
- ✓ When he attains majority he can opt out of the firm by giving a public notice to Registrar of the firm.
- ✓ He has to decide within 6 months from the date of attaining majority or from the date when he first came to know about his interest in the firm whichever is later.

Partnership

- ✓ If he fails to do so, he will be deemed to be the partner from the date of his admission to the firm.
- ✓ A firm can be either registered or unregistered.
- ✓ Effects of non registration
- ✓ KYC documents of the firm and that of persons authorised to operate the account

Partnership

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- ✓ A firm can be either registered or unregistered.
- ✓ Effects of non registration
- ✓ KYC documents of the firm and that of persons authorised to operate the account

Partnership

- ✓ Account opening form to be signed by all partners. Guardian of minor need not sign
- ✓ Authority to operate the account either to few partners or to a 3rd party – allpartners to sign the authority.
- ✓ Any partner can withdraw the authority / stop the cheque issued by the authorised partner. – Restored only when all sign

Partnership

- ✓ A partner or 3rd party to whom authority is given can not delegate the authority.
- ✓ Cheques favouring or endorsed in the name of the firm can not be credited to partners account. But cheque in the personal name of the partner can be credited to the firms account.
- ✓ Due to death/ insanity of a partner if the account in credit balance account to be closed. – can be continued for the purpose of winding up of the business

Partnership

- ✓ On admission or retirement of partner the account can be continued by noting the date of retirement /admission with the consent of all partners.
- ✓ **Debit Balance accounts**: Death/Insolvancy
- ✓ Stop operation, get balance confirmation from existing partners, official receiver and legal heir of deceased partner – to avoid operation of Rule in Claytons case.

Partnership

- ✓ **Admission/retirement if the loan to be continued get balance confirmation letter from all the partners.**

Companies Act

- ✓ Original Act was 1956.
- ✓ Amended in 2013 and certain modifications in 2015 and also in 2018
- ✓ Private Ltd Company – min 2 and max 200 share holders
- ✓ Min 2 directors - Max- No ceiling
- ✓ Public Limited Companies – Min 7 share holders – Max No ceiling
- ✓ Min 3 directors – Max No ceiling *
- ✓ (*Beyound 15 Spl resolution)

Companies Act

- ✓ **An individual can be a director at a time in 20 companies maximum.**

- ✓ **He can be a director at a time maximum in 10 Public limited companies.**

Companies Act

- ✓ Certificate of Incorporation required for all the companies
- ✓ Certificate of Commencement of Business
- ✓ All companies registered on or after 2nd Nov 2018 which are having share capital has to obtain CCB within 180 days of their incorporation by filing Form 20A with ROC
- ✓ OPC- One Person Company
- ✓ MOA & AOA
- ✓ **Ultra Vires** – going beyond the powers of the company

Companies Act

- ✓ When a company is in liquidation, it affairs are managed by Official Liquidator
- ✓ SEC 77 – duty of the company to register the charges on its assets in India or outside India within 30 days of creation on its assets with ROC 2.11.2018
- ✓ ROC can permit upto 60 days from the date of charge creation by paying additional fees . This is called extended period.

Companies Act

- ✓ If not done within 60 days, it can be done within 120 days from the date of charge creation with the permission from Registrar by paying advoleram fees prescribed.
- ✓ Beyond 120 days of charge creation charge can not be registered
- ✓ Sec 78 – if company fails, Creditor can take up with ROC within the stipulated period

Companies Act

- ✓ Charge created on 1.1.2021 (loan date)
- ✓ Charge to be registered within 30 days ie on or before 1.2.2021
- ✓ If not done by 1.2.2021, ROC will permit to register within 60 days from the date of charge creation (1.1.2021) ie upto 1.3.2021 by paying additional fees
- ✓ If not done by 1.3.2021, ROC will permit to register within 120 days from the date of charge creation (1.1.2021) ie upto 1.5.2021 by paying advolarem fees

Companies Act

- ✓ Date of loan 2.1.2019 by Bank A
- ✓ Date of Charge registration 25.1.2019.

- ✓ Date of loan 10.1.2019 by Bank B
- ✓ Date of Charge registration 11.1.2019
- ✓ Both the banks registered within 30 days which is permitted by law.
- ✓ In such case date of charge creation ie date of loan is the priority and not registration - Bank A will get the priority.

Companies Act

- ✓ After giving 14 days notice to the company ROC will register the charge
- ✓ Sec 82 Satisfaction of Charge – Company has to apply within 30 days with ROC.
- ✓ ROC will give a 14 days notice to creditors – After 14 days satisfaction of charges will be carried out.
- ✓ Sec 86 – If the company contravenes the provision – fine Rs 1 lac max Rs 10 lac
- ✓ Officials of the company responsible for the omission – 6 months imprisonment – fine 25000 max Rs 1 lac and or both

Companies Act

- ✓ All charges by a creditor are to be registered with the ROC other than guarantee
- ✓ Forms – Charge creation – CHG 1
- ✓ Modification CHG 1
- ✓ Satisfaction CHG 4

- ✓ Priority of Charge Date of execution of document if it is within the permitted time of 30 days

Negotiable Instrument Act

Section	Details
4	Promissory Note
5	Bill of Exchange
6	Cheque
13	Negotiable Instruments
8	Holder
9	Holder in Due Course
10	Payment in Due Course
18	Amount in Words and Fig Differ
20	Inchoate Instrument

With Best Wishes from L Jagennath

Negotiable Instrument Act

Section	Details
22	Grace Period for Usance Bills
26	Minors can endorse a cheque
85	Protection for Paying Banker
89	Protection for Paying Materially altered Cheque subject to certain conditions
123	General Crossing
124	Special Crossing
131	Protection for Collecting banker
138	Dishonour of Cheque for Want of Funds