

ATTENTION SICK & DISABLED/INCAPACITATED PENSIONERS

It has been brought to the notice of Department of Pension & Pensioners' Welfare that sick and disabled pensioners are facing difficulties in withdrawing their pension amount from the banks. For such pensioners, RBI has already issued guidelines to all the banks to operate their bank accounts. The banks are required to follow these guidelines.

The extract of the relevant point of the guidelines issued by RBI is attached herewith.



(M.P. Singh)
Director (PP)
Tele:24624802

Master Circular
on
Maintenance of Deposit Accounts - UCBs
(Updated up to June 30, 2008)

(The Master Circular is also available at RBI website
www.rbi.org.in and may be down loaded from there)



RESERVE BANK OF INDIA

**Urban Banks Department,
Central Office
Mumbai**

RBI/2008-09/58

UBD.BPD(PCB) MC.No: 13 /13.01.000/2008-09

July 1, 2008

Chief Executive Officers of
All Primary (Urban) Co-operative Banks

Dear Sir,

Master Circular on
Maintenance of Deposit Accounts - UCBs

Please refer to our Master Circular UBD BPD (PCB) MC.No.12/13.01.00/2007-08 dated July 4, 2007 on the captioned subject (available at RBI website www.rbi.org.in). The enclosed Master Circular consolidates and updates all the instructions/guidelines on the subject up to June 30, 2008.

Yours faithfully,

(A.K.Khound)
Chief General Manager-in-Charge

5.7 Operation of Banks Accounts by Old/Sick/Incapacitated Customers

5.7.1 In order to facilitate old/sick/incapacitated bank customers to operate their bank accounts, procedure as laid down in para 5.6.2 below may be followed. The cases of sick/old/incapacitated account holders fall into the following categories:

(i) an account holder who is too ill to sign a cheque/cannot be physically present in the bank to withdraw money from his bank account but can put his/her thumb impression on the cheque/withdrawal form, and

(ii) an account holder who is not only unable to be physically present in the bank but is also not even able to put his/her thumb impression on the cheque/withdrawal form due to certain physical defect/incapacity.

5.7.2 The banks may follow the procedure as under:

(i) Wherever thumb or toe impression of the sick/old/incapacitated account holder is obtained, it should be identified by two independent witnesses known to the bank, one of whom should be a responsible bank official.

(ii) Where the customer cannot even put his/her thumb impression and also would not be able to be physically present in the bank, a mark obtained on the cheque/withdrawal form which should be identified by two independent witnesses, one of whom should be a responsible bank official.

5.7.3 In such cases, the customer may be asked to indicate to the bank as to who would withdraw the amount from the bank on the basis of cheque/withdrawal form as obtained above and that person should be identified by two independent witnesses. The person who would be actually drawing the money from the bank should be asked to furnish his signature to the bank.

5.7.4 In this context, according to an opinion obtained by the Indian Banks' Association from their consultant on the question of opening of a bank account of a person who had lost both his hands and could not sign the cheque/withdrawal form, there must be physical contact between the person who is to sign and the signature or the mark put on the document. Therefore, in the case of the person who has lost both his hands, the signature can be by means of a mark. This mark can be placed by the person in any manner. It could be the toe impression, as suggested. It can be by means of mark which anybody can put on behalf of the person who has to sign, the mark being put by an instrument which has had a physical contact with the person who has to sign.

5.7.5 RBI has been advised by the National Trust for the Welfare of Persons with Autism, Cerebral Palsy, Mental Retardation and Multiple Disabilities (the Trust) that a question had been raised as to whether the banks and the banking sector could accept the guardianship certificates in regard to persons with disabilities issued by the Local Level Committees set up under the National Trust for the Welfare of Persons with Autism, Cerebral Palsy, Mental Retardation and Multiple Disabilities Act, 1999. The Trust has mentioned that the above Act was specifically passed by the Parliament in order to provide for appointment of legal guardians for persons with disability that is covered under the said Act. The above Act provides for appointment of legal guardians for persons with disability by the Local Level Committees set up under the Act. The Trust has opined that a legal guardian so appointed can open and operate the bank account as long as he remains the legal guardian. It may also be noted that the provisions of Mental Health Act, 1987 also allows appointment of Guardian by District Courts. **Banks are therefore advised to rely upon the Guardianship Certificate issued either by the District Court under Mental Health Act or by the Local Level Committees under the above Act for the purposes of opening / operating bank accounts.** Banks may also ensure that their branches give proper guidance so that the parents / relatives of the disabled persons do not face any difficulty in this regard.