

**THE ADARSH CO-OPERATIVE URBAN BANK LTD.,
HEAD OFFICE, IDA, JEEDIMETLA, HYDERABAD - 500055**

Date: 31-10- 2025

CIRCULAR

Circular No. **031** /FY 2025-26

SUB: AMENDMENTS IN EXISTING RULES OF NOMINATION

Government of India has made changes in existing rules of Nomination for Deposits, Safe Deposit Lockers and Safe custody items by making amendments to Banking Regulation Act 1949. These rules/guidelines are effective from 1st November 2025.

REVISED RULES OF NOMINATION:

- As per amendments made to Section 45 ZA of Banking Regulation Act, Nomination can be made by the Depositor of the Bank in favour of **upto four persons instead of one person as Nominees.**
- As per amendment made to Section 45 ZE of Banking Regulation Act, Nomination can be made by the hirer of Safe Deposit Locker or holder of Safe Custody in favour of **upto four persons instead of one person now as Nominees.**

SUCCESSIVE AND SIMULTAENEOUS NOMINATIONS:

- The concept of Successive and Simultaneous nomination was brought out in the Banking Regulation Act 2024, which are applicable as per the latest Regulations on Nomination.

SUCCESSIVE NOMINATION:

- Under Successive Nomination, Nomination can be made in favour of more than one Nominee (**upto four nominees as per revised guidelines**)
- In case of death of the depositor, assets/the balance in the accounts are settled in favour of the First Nominee.
- In case of death of the First Nominee, assets/the balance in accounts are settled in favour of the Second Nominee. Similar process is followed in case of the death of Second Nominee and Third nominee.
- In case of death of all the four Nominees, assets/the balance in the accounts of deceased person is settled to the legal heirs of the deceased person.

SIMULTANEOUS NOMINATION:

- Under simultaneous Nomination, Nomination can be made proportionately (up to a certain percentage say 25%, 50% or 100%) and the proportionate shares of all the four nominees should be equal to 100%.
- In case of death, the assets /balance in accounts are settled in favour of the nominee (s) as per the proportionate shares mentioned as per the latest mandate regarding Nomination.
- In case of death of the deposit/asset holder and one of the Nominee, the share of the deceased nominee will be settled to the legal heirs of the deceased depositor/asset holder.

NOMINATION IN CASE OF DEPOSIT ACCOUNTS:

- As per the revised guidelines effective from 1st November 2025, the depositor can **nominate upto four persons as nominees**.
- In case of deposit accounts, the depositor can opt for either Successive Nomination or Simultaneous Nomination.

NOMINATION IN CASE OF SAFE DEPOSIT LOCKERS AND SAFE CUSTODY ARTICLES:

- In case of Safe deposit Lockers and Safe Custody Articles, the hirer of the locker or the holder of safe custody article can opt for **Succession Nomination only**.
- Simultaneous Nomination facility is not available in case of Safe Deposit Lockers and Safe Custody Articles.

MODIFICATION OF EXISTING NOMINATION:

- During the lifetime of a customer, at any time, as depositor, account holder, hirer of Safe Deposit locker and holder of Safe custody articles can modify or cancel the existing nomination. Branches can accept such requests for modification/cancellation of existing nomination. Modifications can be made in CBS after obtaining revised nomination forms.

NOMINATION FOR JOINT ACCOUNTS:

- Nomination facility is also available to joint accounts of Deposits, Safe Deposit Lockers and Safe Custody articles. In case of Joint accounts, Nomination has to be made by all the depositors. In case of joint accounts of Safe Deposit Lockers and Safe Custody articles, nomination has to be made by all the locker hirers/holders of safe custody items and it shall be **Successive Nomination only**.

NOMINATION FOR PROPRIETORSHIP ACCOUNTS:

- Nomination can be accepted for deposit accounts/ safe deposit lockers/safe custody articles held by Proprietorship accounts as applicable to individuals.

MINOR AS A NOMINEE:

- Nomination can be made in favour of Minor also. In case Nomination is made in favour of a Minor, another person has to be identified as guardian on behalf of Minor till the Minor attains majority (after completion of 18 years of age, a minor becomes major)

PROCESS TO BE FOLLOWED:

- At the time of opening a new account, request for nomination facility can be taken on the suitable nomination form. The nomination forms should be kept along with the account opening form after entering the details of Nomination in CBS. The account opening form along with nomination forms have to be uploaded in DMS for subsequent use.
- In case of existing accounts, request for addition/deletion/cancellation/new nomination, the suitable nomination forms have to be obtained from the customer, the same should be uploaded in DMS tagging to the account number after entering the details of nomination in CBS.

CUSTOMER NOT AVAILING NOMINATION FACILITY:

- Branches shall explain to the prospective customer the advantages of nomination facility at the time of opening a new account.
- If the prospective customer chooses not to avail the nomination facility despite being fully informed, branches can open the deposit account after taking a declaration from the individual confirming that he/she does not require the nomination facility as mentioned in the account opening form.
- If the prospective customer refuses to provide the written declaration, Branch Head any authorised official shall record the fact of refusal to submit written confirmation on the account opening form itself.

ACKNOWLEDGEMENT:

- Branches are advised to issue acknowledgement form attached to the respective nomination form duly signed by the Branch Head/authorised official having received the nomination form to the customer.

DETAILS OF REVISED NOMINATION FORMS:

- Details of revised nomination forms are as under:

Deposit accounts	
DA-1	Nomination by depositor
DA-2	Cancellation of Nomination
DA-3	Modification/change of Nomination

Safe Deposit Lockers	
SL-1	Nomination by sole hirer
SL- 1 A	Nomination by Joint hirers
SL-2	Cancellation of Nomination
SL-3	Variation of Nomination by sole hirer

Safe Custody Items	
SC-1	Nomination by Safe custody holder
SC-2	Cancellation of Nomination
SC-3	Variation of Nomination

- Branches are advised to follow the revised guidelines effective from 1st November 2025.

In case of any clarification, branches are advised to contact Head Office.

M. V. Ramesh

Chief Executive Officer.



Encl: Revised nomination forms as mentioned in the above table.

To
All Branch Managers / Heads of Departments

Copy to:

- 1) Chairman Sir reference file
- 2) CEO reference file
- 3) General Manager
- 4) DGMs/ AGMs at HO
- 5) Senior Manager- Credit
- 6) Dy. Managers - IT
- 7) Concurrent Auditors
- 8) Senior Manager-HR
- 9) System Administrator
- 10) One mail copy to manager.operations@adarshbank.com