



All State and Central Co-operative Banks

Dear Sir,

Operation of Bank Accounts by Old/Sick/Incapacitated Customers

The question of extending a suitable facility to old/sick/incapacitated bank customers for operation of their bank accounts etc. has been engaging our attention for some time. It has been decided to extend certain facilities to account holders who are sick/old/incapacitated and who are not willing to open and operate joint accounts (by which the problem could be solved).

2. The cases of sick/old/incapacitated account holders fall into the following categories:

- a) 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
- b) 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.

3. With a view to enabling the old/sick/incapacitated account holders to operate their bank accounts, banks may follow the procedure as under:-

- a) 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
- b) 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 can be obtained on the cheque/withdrawal form which should be identified by two independent witnesses, one of who should be a responsible bank official.

4. The customer may 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. In this context, the opinion obtained by the Indian Bank's 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 is given in the Annexure.

6. Please acknowledge receipt to the concerned Regional Office.

Yours faithfully,

Sd/-
(R.M. JOSHI)
General Manager

Annexure

Opinion of Consultant of Indian Banks' Association on the question of opening of bank account by a person who has lost both his hands and cannot sign

"In terms of the General Caluses Act, the term "Sign" with its grammatical variations and congnate expressions, shall, with reference to a person who is unable to write his name, include "mark" with its grammatical variations and congnate expressions. The Supreme Court has held in AIR 1950 - Supreme Court, 265 that 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 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".