

August 30, 2007

To
The Chairman and Managing Director/Managing Director
Government Accounts Department, Head Office
State Bank of India and its Associates
Allahabad Bank / Bank of Baroda / Bank of India / Bank of Maharashtra /
Canara Bank / Central Bank of India / Corporation Bank / Dena Bank / Indian Bank /
Indian Overseas Bank / Punjab National Bank / Syndicate Bank / UCO Bank /
Union Bank of India / United Bank of India / Vijaya Bank / ICICI Bank Ltd

Dear Sir,

**Public Provident Fund Scheme, 1968 (PPF) -
Settlement of PPF Claims of Subscribers, who go missing**

Government of India (GOI) has been receiving several references seeking guidance on the settlement of PPF claims in respect of subscribers, **who go missing**.

2. Government of India has, vide their Office Memorandum No. 7/7/2005-NS.II dated August 6, 2007, since advised that the PPF accounts of subscribers who go missing will be settled as per the provisions contained in Section 107/108 of the Indian Evidence Act, 1872. A copy of the said Memorandum dated August 6, 2007 indicating details of procedure to be followed in this regard is enclosed herewith for information and guidance.

3. We advise you to bring the contents of this circular to the notice of designated branches of your bank for information and compliance.

4. Please acknowledge receipt.

Yours faithfully,

(Imtiyaz Ahmad)
Assistant General Manager

New Delhi, the 6th August 2007

OFFICE MEMORANDUM

Sub: Settlement of PPF Claims of Subscribers, who go missing

The undersigned is directed to say that several references were being received by this Ministry, seeking guidance on the settlement of PPF claims of subscribers, who go missing, as there is no specific provision in the PPF Act/Scheme to deal with such cases.

2. The matter has been examined in consultation with Ministry of Law & Justice (Department of Legal Affairs). In the absence of any specific provision under the PPF Act/Scheme regarding settlement of accounts of missing subscribers, such accounts are advised to be settled as per the provisions of Section 107/108 of the Indian Evidence Act, 1872.

3. Section 107 of the Indian Evidence Act, 1872 deals with presumption of continuance of life whereas Section 108 deals with presumption of death. Section 108 of the Indian Evidence Act read as under:-

"Provided that when the question is whether a man is alive or dead and it is proved that he has not been heard for seven years of those who would naturally have heard of him if he is alive, the burden of providing that he is alive, is shifted to the person who affirm it."

4. As per the provisions of Section 108 of the Indian Evidence Act, presumption of death can be raised only after a lapse of seven years from the date of his/her being reported missing. As such, the nominee of a missing subscriber has to raise an express presumption of death of the subscriber under Section 107/108 of the Indian Evidence Act before a competent court. If the court presumes that he/she is dead, then, the nominee will be entitled for settlement of outstanding amount of the PPF Account of the missing subscriber in his/her favour.

5. Department of Posts and RBI may issue guidelines for settlement of claims of missing subscribers accordingly.

(M. A. Khan)

Under Secretary to the Govt. of India

To

1. **Deptt. of Posts** [DDG (FS)], F.S. Division, Dak Bhavan, Sansad Marg, New Delhi.

2. **Reserve Bank of India**, [Imtiaz Ahmad, (Assistant General Manager)], Deptt. of Govt. & Bank Accounts, Central Office, Opp. Mumbai Central Railway Station, Byculla, Mumbai-400008.