

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3245
ANSWERED ON:12.05.2006
UNCLAIMED FUNDS IN UTI
Nahata Smt. P. Jaya Prada

Will the Minister of FINANCE be pleased to state:

- (a) whether there are huge funds which remains unclaimed in the Unit Trust of India Mutual Funds and other financial bodies after the death of the investor;
- (b) if so, the details thereof;
- (c) whether any action has been taken to restore the funds to the dependents of the deceased;
- (d) if so, the details thereof; and
- (e) if not, the reasons therefore?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) to (e) In the Unit Trust of India Mutual Fund (UTI MF) and Specified Undertaking of Unit Trust of India (SUUTI), death claims are settled within 5 to 10 days from the date of receipt of the claim. Regarding banks, Committee on Procedure and Performance Audit on Public Service (CPPAPS) constituted by Reserve Bank of India (RBI) observed that the tortuous procedures, particularly those applicable to the family of a deceased depositor, caused considerable distress to such family members. In the light of the recommendations of the CPPAPS, RBI have issued instructions on 9th June, 2005 to banks for compliance which include access to balance in deposit accounts, premature termination of term deposit accounts, treatment of flows in the name of deceased depositor, access to the safe deposit lockers/safe custody articles, time limit for settlement of claims customers guidance and publicist ect.