

Settlement of Terminal Benefits in favour of the Dependents of the Employees whose whereabouts are not Known:

Section 108 of the Indian Evidence Act, 1872 inter alia provides that when the question whether a person is alive or dead arises and it is proved that he has not been heard of for 7 years by those who would naturally have heard of him if he had been alive, the burden of proving that he is alive is shifted to the person who affirms it.

Having regard to the aforesaid provision contained in the Indian Evidence Act, 1872, the person whose whereabouts are not known, the terminal dues are not settled normally till the expiry of 7 years from the date of whereabouts of the person are not known.

The Government of India has considered the above matter having regard to the hardship caused to the family of an employee whose whereabouts are not known with regard to the settlement of terminal dues/family pension of such employees as under:

(i) The family must lodge a report with the concerned Police Station and obtain a report that the employee has not been traced after all efforts had been made by the police.

(ii) An indemnity bond should be taken from the nominee/dependent of the employee that all payments will be adjusted against the payments due to the employee in case he appears on the scene and makes any claim.

(iii) The bank will assess all dues outstanding against the employee and effect recovery in accordance with the rules of the bank before making payment to the nominee/dependent of the employee.

(iv) After following the above procedure in the aforesaid cases, the family can be paid in the first instance the amount of salary due, if any, leave encashment due and the amount of provident fund having regard to the nomination made by the employee.

(v) After a lapse of period of 1 year, other benefits like family pension may also be granted to the family subject to the fulfillment of conditions prescribed herein above. It may be mentioned here that when the family pension is sanctioned, the payment of pension would be made from the date of accrual, while ensuring that the family pension is not authorized for any period during which the payment of pay and allowances in respect of disappeared employee has been made.

(Ref. PD Circular No. 1701 dated 5.2.2000)

INDEMNITY BOND

This indenture is made at _____ this _____ day of _____ between
Shri/Smt./km. _____ Son/Wife/Daughter of
Shri/Smt./Km. _____ R/o
_____ herein
after called 'the Principal Party' and Punjab National Bank, _____
hereinafter called 'the Bank'.

WHEREAS

Shri/Smt./km. _____ S/o/W/o _____
was a permanent employee of Punjab National Bank and was working as _____ at
_____ till he has been last heard of on _____.

AND WHEREAS the whereabouts of Shri/Smt./km. _____ are not
known since _____ and a report in this regard has been lodged with the
concerned Police Station at _____ on _____ and he/she has
not been traced after all efforts made by the police as mentioned in the report submitted
by _____ vide their letter no. _____ dated _____
addressed to _____.

NOW THIS INDENTURE witnesseth that in consideration of the payment to be made by
the Bank to the Principal Party being nominee/dependent of the employee (the receipt
whereof the Principal Party will acknowledge), the Principal Party indemnifies to the
bank that the payments like salary due, leave encashment, provident fund and all other
terminal dues/benefits like family pension etc. made by the bank to him/her; will be
adjusted against the payments due to the employee in case he/she appears on the scene
and make any claim.

IN WITNESS whereof, the Principal Party has put his/her signatures.

WITNESSES

Name:
Occupation:
Address:

PRINCIPAL PARTY