

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:4435
ANSWERED ON:12.08.2016
Premature Closure of PPF
Khadse Smt. Raksha Nikhil

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government allows premature closure of the ppF account in extreme circumstances like life threatening disease treatment or for children"s" higher education; and
(b) if so, the details thereof along with the terms specified for this premature closure?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI ARJUN RAM MEGHWAL)

(a): Yes, Madam.

(b): The PPF account can be closed prematurely after completion of five financial years for the treatment of serious ailments or life threatening diseases of the account holder, spouse or dependent children or parents and for higher education of the account holder or the minor account holder. Such premature closure of ppF account shall be subject to deduction of such amount which shall be equivalent to one percent less interest"on the interest rates as applicable" from time to time. Further, the Government is empowered to relax rules in exceptional circumstances.