

FINANCE DEPARTMENT

The 9th March 1999

RESOLUTION**SUBJECT—Group Insurance Scheme for Government Employees**

The Group Insurance Scheme for Government Employees, which was introduced with effect from 1st March 1974, vide Finance Department Resolution No. 2594-F., dated the 25th January 1974 as an optional scheme was made compulsory, with effect from 1st April 1976 in Finance Department resolution No. 19043-F., dated the 15th April 1976, with a view to providing financial benefits to the family of a Government Employee, who meets untimely death while in service. In 1985, the scheme was revised in Finance Department Resolution No. 21037-F., dated the 18th May 1985, read with Resolution No. 47215-F., dated the 31st December 1985 by doubling the quantum of one time deposit as well as the benefits, under the sum assured and revising the pay range due to introduction of revised pay scales as per Pay Commission Report. Then in 1987, the scheme was further revised in Finance Department Resolution No. 42944-F., dated the 10th August 1987 by enhancing the quantum of one time deposit as well as the sum assured. Since inception, the scheme has gone a long way in providing some measure of social security to the families of deceased employees.

Now after introduction of revised pay scales as per O. R. S. P. Rules, 1998, the question of revising pay ranges and enhancing benefits under the scheme was under active consideration of Government. After careful consideration, Government have been pleased to decide that the scheme shall stand modified to the extent as under :—

1. Payment of higher assured sum :—

- (a) In the event of untimely death of a Government employee while in service his / her family shall be entitled to get higher assured sum from Finance Department, as follows :—

<u>Pay Range of Employees</u>	<u>Sum assured under the G. I. S.</u>
(i) Up to Rs. 3,600 ..	Rs. 50,000
(ii) Rs. 3,601 to Rs. 5,600 ..	Rs. 75,000
(iii) Rs. 5,601 and above ..	Rs. 1,25,000

- (b) A Government Employee who survives the period of service shall get refund of his one-time deposit, without interest thereon after his / her retirement from service or on relinquishing the service on any other ground.

2. Contribution towards one-time refundable deposit—

- (a) In order to enable Government to pay higher benefits, every regular Government Employee shall make one-time refundable deposit during his / her service period as indicate below —

<u>Pay Range of Employees</u>	<u>Quantum of one-time refundable deposit</u>
(i) Up to Rs. 3,600 ..	Rs. 1, 500
(ii) Rs. 3,601 to Rs. 5,600 ..	Rs. 2,700
(iii) Rs. 5,601 and above ..	Rs. 6,400

The regular employees who have already given the one-time deposit at the old rates in accordance with the earlier Resolutions referred to above, shall deposit the balance amount in order to reach the revised level of one-time deposit prescribed above.

- (b) The balance amount of one-time deposit in order to reach the level of deposits as indicated above shall be realised from the regular Government employee in one lump sum by the end of April, 1999. To enable a Government employee to meet the additional amount of the deposit, an equivalent amount of advance not bearing interest may be granted. In case of a

Government servant who enters Government Service on or after the 1st April, 1999, he / she may be granted an appropriate amount of interest free advance in order to enable him / her to make the one-time deposit.

- (c) The amount of advance granted for the purpose shall be recovered in 10 equal monthly instalments from the salary of the Government servants commencing from the salary for the month of April, 1999 payable in May, 1999. In case of a new entrant, the recovery of advance shall commence from his / her salary for the first month of his / her appointment.

3. Total financial benefit under the modified Scheme—

In the event of untimely death of a Government employee while in service, his / her family shall be entitled to the following financial benefits :

Pay Range of employees	Quantum of one-time deposit to be refunded	Sum assured under the G. I. S.	Amount of financial assistance for performance of obsequies	Total Payment
1	2	3	4	5
(i) Upto Rs. 3,600	Rs. 1,500	Rs. 50,000	Rs. 1,800	Rs. 53,300
(ii) Rs. 3,601 to Rs. 5,600	Rs. 2,700	Rs. 75,000	Rs. 2,500	Rs. 80,200
(iii) Rs. 5,601 and above.	Rs. 6,400	Rs. 1,25,000	Rs. 3,200	Rs. 1,34,600

4. The above modifications shall come into force with effect from the 1st April, 1999.

By order of the Governor

K. B. VERMA

Principal Secretary to Government