

Telangana State Employees Group Insurance Scheme



By

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Points for discussion



1. Objective
2. Commencement of Scheme
3. Applicability
4. Membership
5. Employees - Groups
6. Rate of subscription
7. Subscription Fund - Division -
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13. Refund of amount - Death, Retirement, Whereabouts are not known - Sanction procedure - Claim procedure
14. Model Problems



1. Objective

- The Scheme is intended to provide for State Govt. employees at a **low cost** and on **wholly contributory** and self financing basis, the **benefits of an insurance cover** to help their families in the event of death in service and a lump sum payment to augment their resources on retirement.



2. Commencement

- The Scheme was introduced in the place of FBF, w.e.f. Dt.01.11.1984 vide **G.O.Ms.No.293, Fin. & Plg. (FW.Accts.II) Dept.,Dt.08.10.1984.**



3. Applicability

1. All State Govt. employees, employees of PR Institutions, Municipalities
2. Work charged employees with 10 years of service or more who have become Govt. employees
3. Village servants w.e.f. 01.11.87
(G.O.Ms.No.311, Fin.,Dt.10.11.87 and G.O.Ms.No.46, F&P (FW.Admn.II) Dt.28.02.1996)
4. Village Panchayat Provincialised sweepers, scavengers
(Memo No.3812-A/151/Admn.II/91, Dt.10.09.93)
5. Employees of Zilla Grandhalaya samsthas
(G.O.Ms.No.178, Edn.(E2) Dept.,Dt.12.03.1985)



4. Membership

- Compulsory for all those employees
 - i. who are in service as on 01.11.1984 and
 - ii. who join service on or after 01.11.1984
- Provided that they are medically examined and found fit for service, before they are allowed to join duty.



5. Employees - Groups

- Employees are divided into **Four** Groups
- The group of the employee shall be decided on the **basis** of the **time scale of pay** in which they are drawing from time to time



6. Groups - Rate of Subscription

- In RPS 2015

Groups, Units of Subscription, Rate of Subscription are classified vide [G.O.Ms.No.151, Finance \(Admn.I\), Dt.16.10.15 w.e.f. February 2015.](#)



6. Rate of Subscription - RPS 2015

| Sl. No. | Scale of Pay | Grades | Group | Units | Amount of Subscription |
|---------|-------------------|-------------|-------|-------|------------------------|
| 1 | Rs.35120 - 110850 | XX to XXXII | A | 8 | Rs.120 |
| 2 | Rs. 23100 - 84970 | XIII to XIX | B | 4 | Rs.60 |
| 3 | Rs.16400 - 66330 | VII to XII | C | 2 | Rs.30 |
| 4 | Rs.13000 - 47330 | I to VI | D | 1 | Rs.15 |

7. Unit of Subscription - Fund Division



- From 01.11.84 to 31.10.94

Unit of Subscription = Rs.10

In which,

Towards Insurance Fund = Rs.3.125

Towards Savings Fund = Rs.6.875

(G.O.Ms.No.312, Fin.& Plg. (FW. Accts.II)
Dept., Dt.06.11.1984)



7. Unit of Subscription - Fund Division

- From 01.11.94 to till date

Unit of Subscription = Rs.15

In which,

Towards Insurance Fund = Rs.4.50

Towards Savings Fund = Rs.10.50

(G.O.Ms.No.367, Fin.& Plg. (FW. Accts.II)
Dept., Dt.15.11.1994)



Insurance Fund

- The amount of Insurance cover will be Rs.15000 for each unit of subscription.
- It will be paid to the families of those Employees who unfortunately die, due to any cause, while in service.



Savings Fund

- The total accumulation of savings together with the interest thereon will be payable to the member
 - i. on his retirement after attaining the age of superannuation or
 - ii. On cessation of his employment
 - iii. To his family On his death while on service



8.Recovery of Subscription

1. Every new employee who entered into service in the month other than November has to be enrolled as a subscriber **initially to Insurance Fund only** and to be enrolled as **full time subscriber from the Next November.**

i.e. Up to November only Insurance

Fund Part of the Eligible Group shall be deducted.



8.Recovery of Subscription

2. The subscription of a member for a month shall fall due at the commencement of the normal working hours on the first of that month.
3. The subscription for a month shall be recovered irrespective of the date of actual payment.



8. Recovery of Subscription

4. Recovery shall be made from the salary every month by the D.D.O, for the duty, leave, or suspension periods of employee
5. Recovery shall be made including the month of retirement, death, resignation, removal etc.,
6. No interest is levied on arrears of subscription due to delay in payment of salary.



8. Recovery of Subscription

7. Subscription amount with interest will be recovered for the E.O.L. period in not more than three instalments after resuming duty from leave. In case of death while on EOL, the subscriptions along with interest shall be recovered from the payments admissible to family.
8. If on deputation, the borrowing authority shall recover the subscription and remit to relevant head of account.



8.Recovery of Subscription

9. The date of assumption of the charge of a higher post and the date of orders of the reversion to a lower post shall be taken as a criteria for determining the change of Group.
10. In case of appointment to Automatic Advancement Scale, the date of orders shall be taken as a criteria for change of higher group.



8.Recovery of Subscription

11. The **Drawing and Disbursing Officer** shall be held **responsible for recovery** of correct subscription in respect of the group to which the employee belongs and **in case of failure**, the difference due shall be recovered from the **Drawing and Disbursing Officer** concerned.



9. Nomination

Definition of Family:

Male: Wife, Parents/paternal grand parents, legitimate children, minor brothers, unmarried sisters, deceased son's wife and his children

Female: Husband, Parents/paternal grand parents, legitimate children, minor brothers, unmarried sisters, deceased son's widow and his children



9. Nomination

1. Head of office shall obtain Nomination from the employee who become eligible for membership of the scheme within 2 months.
2. If an employee has no family and nominated a person other than the member of his family, shall become invalid after acquiring a family. He should make a fresh nomination in favour of any member(s) of his family within 2 months.



9. Nomination

3. If an employee nominates more than one person, he should specify the amount of share payable to each of the nominees.
4. A member may at any time cancel a nomination by sending a fresh nomination to the H.O.



9. Nomination

5. Where no nomination in favour of a person / persons of his family subsists or, if such nomination relates only to a part of the amount, shall become payable to the members of his family in equal shares.



9. Nomination

6. If there is any member of the family survives,

no share shall be payable to

- i. Major sons
- ii. Major sons of deceased sons
- iii. Married daughters whose husbands are alive
- iv. Married daughters of a deceased son whose husbands are alive



10. Nomination

7. The widow and children of a deceased son shall be received between them in equal parts only the share which that son would have received if he had survived with an exemption to the attainment of majority



11. Prescribed Forms

- **Form 1** : New subscription
- Form 2** : Enhancement of Subscription
- Form 3** : Final Payment Application
- Form 4** : Intimation Letter to the
Nominee
- Form 5** : Application of the Nominee
- Form 6 & 7** : Nomination Forms
- Form 8** : Group-wise register of members
(H.O.O.)



12. Loans and Advances

- No loans or advances shall be paid to any member or other beneficiary of the Scheme from or against his accumulation.



13. Entries to be made in SR

The DDO / HOD (in case of employees in Foreign service) shall record the

- a) The Balance of FBF as on 31.10.1984
- b) Group to which enrolled / enhanced
- c) Rate of subscription
- d) Month of Commencement
- e) Nominations exercised
- f) Certificate of Recovery from April to March for every financial year.



14. Refund from the Scheme

- A) On Retirement / on cessation of employment
- B) On Death while in service
- C) When whereabouts are not Known.



A) On retirement : Saving Fund only

- The total accumulation of saving fund together with the interest thereon will be payable to the Member on his retirement after attaining the age of superannuation or on cessation of his employment, as per Table I, Table II, Table III of Govt.

Memo.1749/B/28/A2/Admn. II/96, Dt. 24-2-96 of Fin. & Plg. Department and as per the tables issued for a Financial Year by a G.O. by Fin. Dept.



B) On Death while in service:

- **Both Insurance and Savings Funds shall be paid to the nominee.**
- **Insurance Fund:** Lumpsum payment of insurance cover according to the Group of the subscriber i.e., Rs.15,000/-, Rs.30,000/-, Rs.60,000/-, Rs.1,20,000/-
- **Savings Fund:** Total amount of Savings fund accumulation together with interest on par with retired employees as per the GO issued by the Finance Dept.



C) When whereabouts are not known

- Both Savings Fund and Insurance Fund shall be paid.
 1. Savings Fund to be refunded after expiry of one year following the month of disappearance.
 2. Insurance fund to be refunded after expiry of 7 years following the month of disappearance.
 3. The family must lodge complaint in the police station concerned and obtain report stating that the employee has not been traced, after all efforts are made.



C) When whereabouts are not known

4. An indemnity Bond should be obtained from the nominee / dependents of the employee stating that all payments shall be adjusted against the payment due to the employee in case he/she appears on the scene and makes any claim.



C) When whereabouts are not known

- Recovery of subscription

- (a) Full subscription for one year at the rate applicable on the date of disappearance + interest, to be recovered from the refundable Savings Fund.
- (b) Premium for Insurance cover + interest for further period of 6 years be recovered from the refundable insurance fund.

(G.O.Ms.No.111, F&P Dt. 22-4-88)



Recovery of Govt. dues from final payment

- No recovery from the amount payable under the scheme can be made excepting the dues under the scheme. (Memo No.B90/06-131-A/100/Admn-III/91, F&P (FW.Admn.III) Dt.25.07.91).



Sanctioning Authority

- Competent Authority - H.O.
- If H.O. is a non-Gazetted officer - His immediate superior Gazetted Officer.
- For the Head of Office himself - His immediate superior Gazetted Officer.
- For Head of Dept.,- Secretary To Govt.
- For employees on deputation - HOD of parent Dept.,



Sanction Procedure

- Annual certificates recorded in the S.R.
- Nominations recorded in the S.R.
- **The sanction order should indicate :**
 - (a) Insurance Fund and Savings Fund separately.
 - (b) Relevant data of the employee.
 - (c) In the case of death of employee, the names of beneficiaries and the share of amounts payable to each.

Sanction Procedure



- Sanction Order should contain details as per G.O.Ms.No.910, Fin.(Admn.II) Dept., Dt.28.10.2002
- Name and Designation of the employee.
- Scale of Pay.
- Date of commencement of Insurance cover and the group to which he/she is enrolled initially.
- Change to higher Group w.e.f.
- Date of retirement/resignation/death.
- Name of the nominee/legal-heirs in the event of death of the employee.



Sanction Procedure

- Calculation of savings fund and interest thereon as order from time to time (A separate annexure copy of which should invariably be sent to Director of Insurance)
- Total Amount sanctioned under savings fund (Savings fund + Interest thereon)
- Total amount sanctioned under Insurance fund in the event of death of the employee.
- Head of Account for payment of savings fund/ Insurance fund/Interest separately.

Sanction Procedure



- Final Payment Form : TS TC Form 40
 - Head of Account: 8011 Insurance & Pension Fund
107 State Govt. Employees
GIS
01 G.I.S. for state govt. employees
001 Insurance Fund
002 Savings Fund
- (G.O.Ms.No.20, F&P (FW.Accts.II), Dt.22.02.1995 and G.O.Ms.No.110, Fin.(Admn.II) , Dt.19.05.2014)

Model Problem - 1

- A Govt Employee whose subscription towards GIS was as follows.
 - i) from 11/1993 to 10/1994 @80/- pm
and
 - ii) from 11/1994 to 07/2020 @120/- pmHe was retired from service due to Superannuation on 31.07.2020.
- Calculate the amount payable to him under GIS as on date of superannuation.

Calculation Sheet

| Period | Subscription | Year of start | Total Units | No. Of extra units | Accumulated savings fund per one unit | Total Accumulated savings |
|------------------|--------------|---------------|--------------|--------------------|---------------------------------------|---------------------------|
| 11/93 to 10/94 | 80 | 1993 | 8 | - | 12648 | $12648 * 8 = 101184$ |
| 11/94 to 07/2020 | 120 | 1994 | 8 | - | - | - |
| | | | Total | | | 101184 |

Model Problem - 2

- A Govt. Employee whose subscription towards GIS was as follows
 - i) from 11/1984 to 10/1989 @10/- pm ,
 - ii) from 11/1989 to 10/1994 @20/- pm ,
 - iii) from 11/1994 to 10/2006 @ 30/- pm and
 - iv) from 11/2006 to 08/2020 @60/-pmHe was retired from service due to superannuation on 31.08.2020.
Calculate the amount payable to him under GIS as on date of superannuation.

Calculation Sheet

| Period | Subscripti on | Year of start | Total Units | No. Of extra units | Accumulat ed savings fund per one unit | Total Accumulat ed savings |
|--------------------------|------------------|------------------|----------------|--------------------------|--|-------------------------------------|
| 11/84 to 10/89 | 10 | 1984 | 1 | - | 26441 | $26441*1 = 26441$ |
| 11/89 to 10/94 | 20 | 1989 | 2 | 1 | 17369 | $17369*1 = 17369$ |
| 11/94 to 10/2006 | 30 | 1994 | 2 | - | - | - |
| 11/2006 to 08/2020 | 60 | 2006 | 4 | 2 | 3197 | $3197*2 = 6394$ |
| | | | | Total | | 50204 |

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Model Problem - 3

- A Govt Employee whose subscription towards GIS was as follows.
 - i) from 11/1990 to 10/1994 @10/- pm ,
 - ii) from 11/1994 to 10/2000 @15/- pm ,
 - iii) from 11/2000 to 10/2010 @ 30/- pm
 - iv) from 11/2010 to 10/2014 @60/-pm and
 - v) from 11/2014 to 09/2020 @120/-pm
- He was retired from service due to superannuation 30.09.2020.
- calculate the amount payable to him under GIS as on date of superannuation.

Calculation Sheet

| Period | Subscripti on | Year of start | Total Units | No. Of extra units | Accumulat ed savings fund per one unit | Total Accumulat ed savings |
|--|------------------|------------------|----------------|--------------------------|--|----------------------------------|
| 11/90 to 10/94 | 10 | 1990 | 1 | - | 16138 | $16138 * 1 = 16138$ |
| 11/94 to 10/2000 | 15 | 1994 | 1 | - | - | - |
| 11/2000 to 10/2010 | 30 | 2000 | 2 | 1 | 6230 | $6230 * 1 = 6230$ |
| 11/2010 to 10/2014 | 60 | 2010 | 4 | 2 | 1901 | $1901 * 2 = 3802$ |
| 11/2014 to 09/2020 | 120 | 2014 | 8 | 4 | 942 | $942 * 4 = 3768$ |
| December 22, 2021 Bhagavatula Pandu Ranga Sarma | | | | | | |
| | | | | | Total | 30038 |



Any Questions ???

Recap - Points for discussion



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THANK YOU
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