



**GOVERNMENT OF
KARNATAKA**

FINANCE DEPARTMENT

KARNATAKA STATE

EMPLOYEES GROUP INSURANCE

SCHEME 1981



GOVERNMENT OF KARNATAKA

FINANCE DEPARTMENT

No. FD 80 SRP (CSC) 81

Bangalore, dated the 21st December, 1981

NOTIFICATION

In exercise of the powers conferred by the provision of Article 309 of the Constitution of India, the Governor of Karnataka hereby makes the following rules, namely:-

1. Title and date of effect.-

1.1. These rules shall be called the Karnataka State Employees' Group Insurance Scheme Rules, 1981.

1.2. These rules shall come into force from the first day of January 1982.

2. Objective.-

2.1. The Karnataka State Employees' Group Insurance Scheme, hereinafter referred to as "Scheme", is intended to provide for the State employees, at a low cost and on a wholly contributory and self-financing basis, the twin benefits of an insurance cover to help their nominees in the event of death in service and a lumpsum payment to augment their resources on retirement.

3. Application.-

3.1. **The 'Scheme' shall apply to-**

(i) All State Government employees appointed in accordance with the rules of recruitment.

(ii) State Government employees borne on work-charged establishment on time scales of pay,

(iii) State Government employees borne on contingent establishment on time scales of pay, and

(iv) Employees other than those mentioned at (i) to (iii) above, to whom the 'Scheme' may be extended under orders of Government.

3.2. **The 'Scheme' shall not apply to-**

(i) Persons in casual employment,

(ii) Persons subject to discharge from service on less than one months notice, and

(iii) Persons for whose appointment and other matters provisions are made by or under any law for the time being in force or in any contract in regard to matters covered by such law or such contract.

3.3. Such State employees to whom the 'Scheme' applies are hereafter referred to as "employees" or

"employee"

4. Membership.-

4.1. Membership of the 'scheme' shall be compulsory for all those 'employees'-

- (i) Who are in service as on 1st January 1982, and
- (ii) Who join service on or after 1st January 1982.

4.2. Those 'employees' who are in service as on 1st January 1982 shall cease to subscribe to the Karnataka State Employees Family Benefit fund with effect from 1st January 1982 and shall be enrolled as members of the scheme with effect from the said date.

4.3 All 'employees' who enter service in a month other than January after the 'Scheme' has come into force, shall be enrolled as members of the 'Scheme' on the next anniversary of the 'Scheme'.

4.4 Every 'employee' enrolled as member of the 'Scheme' shall be informed by the head of office concerned the date of his enrolment and the subscription to be deducted from his salary/wages in Form 1

5. Subscription of members.-

¹5.1. The subscription for the 'Scheme' shall be in units of Rs. 60 per month. A group 'D' employee shall subscribe for one unit, a group 'C' employee for two units, a group 'B' employee for three units and a group 'A' employee for four units. Thus, the rate of subscription for a member of the 'scheme' shall be Rs. 60, Rs.120, Rs.180 and Rs.240 per month for Group D, C, B and A employees respectively.]

²5.1. The subscription for the 'Scheme' shall be in units of Rs. 120/- per month. A group 'D' employee shall subscribe for one unit, a group 'C' employee for two units, a group 'B' employee for three units and a group 'A' employee for four units. Thus, the rate of subscription for a member of the 'scheme' shall be Rs. 120/-, Rs.240/-, Rs.360/- and Rs.480/- per month for Group D, C, B and A employees respectively.]

5.2. In the event of regular promotion/appointment of a member from one Group to another, his subscription shall be revised, from the next anniversary of the 'scheme' to the level appropriate to the Group to which he is promoted or appointed. Until the date of the next anniversary of the 'scheme' he shall continue to be covered for insurance for the same amount for which he was eligible before such promotion/appointment.

¹ [For example a Group 'D' employee promoted/appointed on regular basis to Group 'C' in February 2000 shall continue to subscribe at the rate of Rs. 60 per month up to December 2000 and be eligible for the insurance cover of Rs. 60,000 only, in addition to the benefits from the Savings Fund appropriate to his subscription. From January 2001, his subscription shall be revised to Rs. 120 per month and he shall become eligible for an insurance cover of Rs. 120,000/- in addition to appropriate benefits from the Savings Fund.]

² [For example a Group 'D' employee promoted/appointed on regular basis to Group 'C' in February 2019 shall continue to subscribe at the rate of Rs. 120/-per month up to December 2019 and be eligible for the insurance cover of Rs. 1,20,000 only, in addition to the benefits from the Savings Fund appropriate to his subscription. From January 2020, his subscription shall be revised to Rs. 240/- per month and he shall become eligible for an insurance cover of Rs. 2,40,000/- in addition to appropriate benefits from the Savings Fund.]

5.3. On his regular promotion/appointment from one Group to another every member shall be informed by the head of office concerned the month from which the subscription to be deducted from his salary/wages is revised as in Form 2.

1. Amended vide notification no FD 3 SAVEYO 99 dated: 19th May 2000

2. Amended vide notification no FD 12 SAVEYO 2018 dated: 16th Nov 2018

¹[6.Premium and insurance cover for ‘employees’ other than members.-

An ‘employee’ entering service in a month other than January falling after 1st January 2000 shall be given the benefit of insurance cover applicable to the Group to which he belongs from the date of joining Government service to the Date of his becoming member of the ‘scheme’ on payment of a subscription of ²[**Rs. 19 per month**] as the premium for every Rs. 60,000/- of insurance cover. From the date of anniversary of the ‘scheme’ he shall pay subscription at the rate indicated in Para 5.1 above.

For example, a Group ‘D’ employee entering service in February 2000 shall pay subscription of ²[**Rs. 19 per month**] as premium for an insurance cover of Rs. 60,000/- for a period of eleven months up to December 2000 and from January 2001 his subscription shall be raised to Rs. 60 per month and he shall become eligible for the benefits from Savings Fund in addition to the insurance cover of Rs. 60,000/- Similarly, a Group ‘C’ employee entering service in February 2000 shall pay a subscription of ²[**Rs. 38 per month**] as the premium for an insurance cover of 1,20,000/- for a period of eleven months upto December 2000 and from January 2001 his subscription shall be raised to Rs. 120/- per month and he shall become eligible for the benefits from the Savings Fund in addition to insurance cover of Rs. 1,20,000/-]

⁴[6.Premium and insurance cover for ‘employees’ other than members.-

An ‘employee’ entering service in a month other than January falling after 1st January 2019 shall be given the benefit of insurance cover applicable to the Group to which he belongs from the date of joining Government service to the date of his becoming member of the ‘scheme’ on payment of a subscription of **Rs. 30/- per month** as the premium for every **Rs. 1,20,000/-** of insurance cover. From the date of anniversary of the ‘scheme’ he shall pay subscription at the rate indicated in Para 5.1 above.

For example, a Group ‘D’ employee entering service in February 2019 shall pay a subscription of **Rs. 30/- per month** as premium for an insurance cover of **Rs. 1,20,000/-** for a period of eleven months up to December 2019 and from January 2020 his subscription shall be raised to Rs. 120/-per month and he shall become eligible for the benefits from Savings Fund in addition to the insurance cover of Rs. 1,20,000/-. Similarly, a Group ‘C’ employee entering service in February 2019, shall pay a subscription of **Rs. 60/- per month** as the premium for an insurance cover of 2,40,000/- for a period of eleven months up to December 2019 and from January 2020 his subscription shall be raised to Rs. 240/- per month and he shall become eligible for the benefits from the Savings Fund in addition to insurance cover of Rs. 2,40,000/-]

1.Amended vide notification no FD 3 SAVEYO 99 dated: 19th May 2000

2.Substituted vide notification no FD 04 SAVEYO 2004 dated: 28th Jan 2005

3. Amended vide notification no. FD 4 SPR(S-III)-87, dated 18th March 1987

4.Substituted vide notification no. FD 12 SaViYo 2018, dated 16th Nov 2018

7. Insurance Fund and insurance cover for members.-

³[7.1.In order to provide an insurance cover to each member of the 'scheme' such portion of the monthly subscription as may be specified from time to time under orders of Government and for the present an amount of Rs. 6.25 for each unit of subscription shall be credited to an Insurance Fund to be held in the Public Account of the State Government. The amount of insurance cover shall be Rs. 20,000 for each unit of subscription. It shall be paid as specified in rule 10, to the nominee(s)/members(s) of the family who dies due to any cause, while in service.]

⁴[7.1.In order to provide an insurance cover to each member of the 'scheme' such portion of the monthly subscription as may be specified from time to time under orders of Government and for the present an amount of Rs30/- for each unit of subscription shall be credited to an Insurance Fund to be held in the Public Account of the State Government. The amount of insurance cover shall be Rs.1,20,000/- for each unit of subscription. It shall be paid as specified in rule 10, to the nominee or nominees of the member who dies due to any cause, while in service.]

³7.2. The positive or negative balance under the Insurance Fund shall be credited or debited, as the case may be, with the amount of interest calculated at the prevailing rate of interest on the Post Office savings bank deposits.]

8. Savings Fund.-

³[8.1.Such portion of the monthly subscription as may be specified from time to time under orders of Government and for the present an amount of Rs. 13.75 for each unit of subscription shall be credited to a Savings Fund. The amount in the Savings Fund shall be held by the State Government in Public Account. The total accumulation of savings together with interest thereon shall be payable to the member on his retirement after attaining the age of superannuation or on cessation of his employment with the State Government or to the nominee(s)/member(s) of the family/legal heir(s) of the member, as specified in rule 10, on his death while in service.]

⁴[8.1.Such portion of the monthly subscription as may be specified from time to time under order of Government and for the present an amount of Rs. 90/- for each unit of subscription shall be credited to a Savings Fund. The amount in the Savings Fund shall be held by the State Government in Public Account. The total accumulation of savings together with interest thereon shall be payable to the member on his retirement after attaining the age of superannuation or on cessation of his employment with the State Government or to the nominee(s)/member(s) of the family/legal heir(s) of the member, as specified in rule 10, on his death while in service.]

1.Amended vide notification no FD 3 SAVEYO 99 dated: 19th May 2000

2.Substituted vide notification no FD 04 SAVEYO 2004 dated: 28th Jan 2005

3. Amended vide notification no. FD 4 SPR(S-III)-87, dated 18thMarch 1987

4.Amended vide notification no. FD 12 SaViYo 2018, dated 16thNov 2018

8.2. The benefit admissible from the Savings Fund shall be as determined by Government from time to time and for the present as per illustration table attached herewith. This benefit is illustrative and in practice could be a little more or less than the amount shown in the table which has been constructed on the basis of individual's subscription reduced by the cost of insurance at mortality rate of 3.75 per thousand and the compound interest of 10 per cent thereon. If at any time the rate of interest changes and/or the cost of insurance changes the benefit available from the Savings Fund is liable to be changed correspondingly.

¹[8.2(a) the benefit admissible from the savings Fund with effect from 1st January 1985 shall be as given in illustration Table 2. This table shall be applicable to an employee who becomes a member of the scheme on or after the 1st January 1985. The benefit admissible from the savings fund with effect from 1st January 1985 in respect of an employee who was a member of the scheme before that date and who retires on attaining the age of super annuation or otherwise ceases to be a member after that date shall be given in illustrative table 3 to 5. This benefit is illustrative and could be a little more or less than the amount shown in the tables, which have been constructed on the basis of individual subscription reduced by the cost of insurance at mortality rate of 3.75 per thousand and the compound rate of interest of 11% there on. The benefits as shown in these tables shall be in force until further orders.]

²[8.2(b) the benefit admissible from the savings fund with effect from 1st January 1988 shall be as given in table 6. This table shall be applicable to an employee who becomes a member of the scheme on or after the 1st January 1988. The benefit admissible from the savings fund with effect from 1st January 1988 in respect of an employee who was a member of the scheme before that date and who retires on attaining the age of superannuation or otherwise ceases to be a member after that date, shall be as given in tables 7 to 12. The benefits as shown in these tables shall be in force until further orders.]

³[8.2(c) the benefit admissible from the savings fund with effect from 1st January 1993 shall be as given in table 13. This table shall be applicable to an employee who becomes a member of the scheme on or after the 1st January 1993. The benefit admissible from the savings fund with effect from 1st January 1993 in respect of an employee who was a member of the scheme before that date and who retires on attaining the age of superannuation or otherwise ceases to be a member after that date, shall be as given in tables 14 to 24. The benefits as shown in these tables shall be in force until further orders.]

1) Inserted vide notification NoFD 18 SRP (CSC) 84 dated 01.01.1985 (1.1.1982 to 31.12.1987) Table from 2 to 5

2) Inserted vide notification NoFD 03 SRP (SIII) 87 dated 28.12.1987 (1.1.1988 to 31.12.1992) Table from 6 to 12

3) Inserted vide notification NoFD 2 Saviyo 92 dated 22.03.1993 (1.1.1993 to 31.12.1997) Table from 13 to 24

¹[8.2(d) the benefit admissible from the savings fund with effect from 1st January 1998 shall be as given in table 25. This table shall be applicable to an employee who becomes a member of the scheme on or after the 1st January 1998. The benefit admissible from the savings fund with effect from 1st January 1998 in respect of an employee who was a member of the scheme before that date and who retires on attaining the age of superannuation or otherwise ceases to be a member after that date, shall be as given in tables 25 to 41. The benefits as shown in these tables shall be in force until further orders.]

²[8.2(e) the benefit admissible from the savings fund with effect from 1st January 2000 shall be as given in table 42. This table shall be applicable to an employee who becomes a member of the scheme on or after the 1st January 2000. The benefit admissible from the savings fund with effect from 1st January 2000 in respect of an employee who was a member of the scheme before that date and who retires on attaining the age of superannuation or otherwise ceases to be a member after that date, shall be as given in tables 42 to 60. The benefits as shown in these tables shall be in force until further orders.]

Substitution of table 42 to 60

³[For tables 42 to 60 of the said rules, the following tables shall be deemed to have been substituted w.e.f 1st January 2000]

³[8.2(f) the benefit admissible from the savings fund with effect from 1st January 2004 shall be as given in table 61. This table shall be applicable to an employee who becomes a member of the scheme on or after the 1st January 2004. The benefit admissible from the savings fund with effect from 1st January 2004 in respect of an employee who was a member of the scheme before that date and who retires on attaining the age of superannuation or otherwise ceases to be a member after that date, shall be as given in tables 61 to 83. The benefits as shown in these tables shall be in force until further orders.]

⁴[8.2(g) the benefit admissible from the savings fund with effect from 1st January 2007 shall be as given in table 84. This table shall be applicable to an employee who becomes a member of the scheme on or after the 1st January 2007. The benefit admissible from the savings fund with effect from 1st January 2007 in respect of an employee who was a member of the scheme before that date and who retires on attaining the age of superannuation or otherwise ceases to be a member after that date, shall be as given in tables 84 to 109. The benefits as shown in these tables shall be in force until further orders.]

⁵[8.2(h) the benefit admissible from the savings fund with effect from 1st January 2012 shall be as given in table 110. This table shall be applicable to an employee who becomes a member of the scheme on or after the 1st January 2012. The benefit admissible from the savings fund with effect from 1st January 2012 in respect of an employee who was a member of the scheme before that date and who retires on attaining the age of superannuation or otherwise ceases to be a member after that date, shall be as given in tables 110 to 140. The benefits as shown in these tables shall be in force until further orders.]

⁶[8.2(i) the benefit admissible from the savings fund with effect from 1st January 2017 shall be as given in table 141. This table shall be applicable to an employee who becomes a member of the scheme on or after the 1st January 2017. The benefit admissible from the savings fund with effect from 1st January 2017 in respect of an employee who was a member of the scheme before that date and who retires on attaining the age of superannuation or otherwise ceases to be a member after that date, shall be as given in tables 141 to 176. The benefits as shown in these tables shall be in force until further orders.]

⁷[8.2(j) The benefit admissible from the savings fund with effect from 1st January 2019 shall be as given in table 177. This table shall be applicable to an employee, who becomes a member of the scheme, on or after the 1st day of January 2019. The benefit admissible from the savings fund with effect from 1st January 2019 in respect of an employee who was a member of the scheme before that date and who retires on attaining the age of superannuation or otherwise ceases to be a member after that date, shall be as given in tables 177 to 214. The benefits as shown in these tables shall be in force until further orders.]

1) Inserted vide notification NoFD 5 Saviyo 97 dated 24.01.1998 (1.1.1998 to 31.12.1999) Table from 25 to 41
2) Inserted vide notification NoFD 3 Saviyo 99 dated 19.05.2000 (1.1.2000 to 31.12.2003) Table from 42 to 60
3) Inserted vide notification NoFD 4 Saviyo 2004 dated 28.01.2005(1.1.2004 to 31.12.2006) Table from 61 to 83
4) Inserted vide notification NoFD 01 Saviyo 2007 dated 20.09.2007 (1.1.2007 to 31.12.2011) Table from 84 to 109
5) Inserted vide notification NoFD 11 Saviyo 2011 dated 22.12.2011 (1.1.2012 and onwards) Table from 110 to 140
6) Inserted vide notification NoFD 34 Saviyo 2014 dated 13.02.2017 (1.1.2017 and onwards) Table from 141 to 176
7) Inserted vide notification NoFD 12 Saviyo 2018 dated 16.11.2018 (1.1.2019 and onwards) Table from 177 to 214

8.3. In the case of death of a member the payment of the amount of insurance shall be in addition to the payment from the Savings Fund.

8.4. The positive balance under the Savings Fund shall be credited with the amount of interest calculated at the rate notified by the Government for the purpose.

8.5. Subject to the provisions of sub-rule 4 above interest shall be allowed at 10 percent per annum(compounded quarterly) on the balances in the Savings Fund for a block of five years commencing from the date the scheme comes into force.

¹[8.6. Notwithstanding anything contained in sub-rule 5 above and subject to the provisions of sub-rule 4, with effect from 1st January 1985 and until further orders, interest shall be allowed at 11 percent per annum (compounded quarterly) on the balances in the Savings Fund.]

²[8.7. Notwithstanding anything contained in sub-rule 8.5 and 8.6 above and subject to the provisions of sub-rule 8.4, with effect from 1st January 1988 and until further orders, interest shall be allowed, at 12 percent per annum (compounded quarterly) on the balances in the Savings Fund.]

³[8.8. Notwithstanding anything contained in sub-rule 8.5, 8.6 and 8.7 and subject to the provisions of sub-rule 8.4 above, with effect from First day of January, 2004 and until further orders interest shall be allowed at 9% per annum (compounded quarterly) on the balance in the savings fund]

9. Recovery of subscription-

9.1 The subscription of a member for a month shall fall due at the commencement of the normal working hours on the first day of that month.

9.2. The subscription as a premium for the insurance cover from the date of joining Government service to the date of membership of the 'Scheme' shall initially fall due from the date of joining and subsequently from the commencement of normal working hours on the first day of every month.

9.3. The subscription for a month shall be recovered by deduction from the salary/wage of the member/employee for the preceding month, irrespective of the date of actual payment of the salary/wage. The first premium referred to in Para 9.2 shall, however, be paid by the "employee" in cash.

9.4 The subscription shall be recovered every month including the month in which the member/employee ceases to be in employment on account of retirement, death, resignation, removal from service etc.

9.5. The Drawing and Disbursing Officer shall recover the subscription from the member/employees irrespective of their being on duty, leave or suspension.

9.6. No interest shall be levied on arrears of subscriptions if the non-recovery is due to delayed payments of salary/wage.

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1. Inserted vide Notification No.FD 18 SRP (CSC) 84, dated:1.1.1985.
 2. Inserted vide Notification No.FD 3 SRP (S III) 87, dated:28.12.1987.
 3. Inserted vide notification no FD 04 SAVIYO 2004 dated: 28.01.2005.

9.7. If an 'employee' or a member is on extraordinary leave and there is no payment of his salary/wage for the period, his subscriptions for such period shall be recovered with interest admissible under the 'scheme' on the accretions to the Savings Fund in not more than three instalments commencing from his salary/wage for the months including the month in which he resumes duty after leave. If an 'employee' or a member dies while on extraordinary leave the subscriptions due from him shall be recovered with interest admissible under the 'scheme' on the accretions to the Savings Fund from the payments admissible to his family under the 'scheme'.

For example, if a Group 'D' member/employee proceeds on ten months' extraordinary leave from 5th February 1982 to 4th December 1982 and no salary/wage is paid to him for any day for March 1982 to November 1982, his subscriptions totalling Rs. 80 shall be recovered together with interest calculated at the compound rate of interest of 10% per annum in not more than three instalments commencing from December 1982.

9.8. If an 'employee' or a member proceeds on deputation or on Foreign Service, the borrowing authority/foreign employer shall be requested to effect the recovery of the subscription and credit the same to the relevant heads of accounts. It shall be ensured that the necessary clause to this effect is included in the terms of deputation/Foreign Service in future. The recovery of this amount shall be watched in the manner specified in the accounting procedure prescribed by Government. If at any time the recovery of subscription falls in arrears, the same shall be recovered with interest admissible under the 'scheme' on the accretions to the Savings Fund in not more than three instalments.

10. Payment from Insurance Fund/Savings Fund-

10.1. If a member retires on attaining the age of superannuation or otherwise ceases to be in State Government service and his service book discloses that he has been a member of the 'scheme' the Head of Office shall issue a sanction for the payment of the member's accumulation in the Savings Fund after obtaining a simple application in Form No. 3.

10.2(a)(i) When a Government servant dies while in service or after retirement or resignation etc., without receiving the amount due to him under the scheme and leaves a family and if valid nomination in favour of a member or members of his family subsists, the amount due in respect of him shall be payable to such nominee or nominees.

(ii) The Head of the office shall address the nominee in Form No.4 to submit an application in form No.5 and on receipt thereof issue a sanction order for payment of amounts due!

(b)(i) When a Government servant dies while in service or after retirement or resignation etc., without receiving the amount due to him under the scheme and leaves a family and no nomination in favour of a member or members of his family subsists or if such nomination relates only to a part of the amount payable under the scheme, the whole amount or part thereof to which the nomination does not relate, as the case may be, shall, notwithstanding any nomination purporting to be in favour of any person or persons other than a member or members of his family, become payable to the members of his family, in equal shares, on the basis of survivor certificate issued by a revenue authority not below the rank of a Tahsildar :

1. Substituted by notification no. FD 8 SRP(CSC) 83 dated: 12.7.1984.

Provided that no share shall be payable to-

- i) Sons who have attained majority;
- ii) Sons of a deceased son who have attained majority;
- iii) Married daughters whose husbands are alive;
- iv) Married daughters of a deceased son whose husbands are alive;

If there is any member of the family other than those specified in clauses (i), (ii), (iii) &(iv)

Provided further that the widow or widows and the child or children of a deceased son shall receive between them in equal parts only the share which that son would received if he had survived the subscriber and had been exempted from the provisions of clause (i) of the first provision.

(b)(ii) The surviving family members shall apply to the head of office along with the survivor Certificate issued by a revenue authority not below the rank of a Tahsildar for the payment of the amount due.

(c)(i) When a government servant dies while in service or after retirement or resignation etc., without receiving the amount due under the scheme and leaves behind no family and has made no nomination or the nomination made by him does not subsist, the amount due under the scheme shall be payable to his legal heir(s) on the basis of succession certificate issued by the competent authority.

(ii) The legal heir(s) shall apply to the Head of office along with the succession certificate issued by the competent authority for the payment of the amount due.]

10.3. The amount payable to the ¹**[nominee(s)/member(s)]** of the family/legal heir(s) of an 'employee' who has the benefit of Insurance cover only shall be the amount of insurance appropriate to his Group.

10.4. The amount payable to the ¹**[nominee(s)/member(s)]** of the family/legal heir(s) of a member of the 'scheme' who dies while in service, shall be-

- (a) The amount of appropriate insurance to which he was entitled at the time of his death; plus
- ²["(b) The amount due to him out of the Savings Fund for the entire period of his membership with reference to the rates of his subscription to the Fund from time to time"]

³[(c)-omitted.]

10.5. The amount payable to the 'member' who ceases to be in employment with the State Government on account of resignation, retirement etc., shall be-

²["(a) The amount due to him out of the Savings Fund for the entire period of his membership with reference to the rates of his subscription from time to time."]

³["(b)-Deleted."]

10.6. If any 'employee' or member dies during a month before the recovery of subscription for that month from him, the amount due in respect of him shall be paid after deducting the subscription.

10.7. If any 'employee' or member joins later on an All India Service, his case shall be regulated in such manner as may be decided by the Government.

1. Substituted by notification no. FD 8 SRP(CSC) 83 dated: 12.7.1984.
2. Substituted by notification no. FD 4 SRP (S-III)-87 dated: 18.3.1987.
3. Omitted & Deleted by notification no. FD 4 SRP (S-III)-87 dated: 18.3.1987

11. Withdrawals from Insurance Fund/Savings Fund-

- 11.1. It will not be permissible for any member or other beneficiary of the 'scheme' to withdraw any amount out of the Insurance Fund to which he has been subscribing. The amount due from the Fund on the death of member of the 'scheme' while in service shall be worked out in accordance with Para 10 and paid to his nominee (s) in accordance with the accounting procedure prescribed by Government.
- 11.2. It shall also not be permissible for any member of the 'scheme' to withdraw any amount of the savings Fund to which he has been subscribing. The amount due to him from the fund on his cessation of employment on account of resignation, retirement etc., shall be worked out in accordance with Para 10 and paid to him or his nominee(s) in accordance with the accounting procedure prescribed by Government.

12. Loans/advances from or against accumulations in Insurance Fund/Savings Fund-

No loans or advances shall be paid to any member or other beneficiary of the 'scheme' from or against his accumulations in the Insurance Fund/Savings Fund to which he has been subscribing.

13. Utilisation of accumulation in Insurance Fund/Savings Fund-

The accumulation in the Insurance Fund/Savings Fund shall be at the disposal of the State Government. Since the 'scheme' is wholly self-financing and self-supporting, the bulk of these accumulations may be utilised for ownership housing schemes and other schemes for the benefit of the members of the 'scheme'.

14. Mode of notification of the 'scheme'-

The 'scheme' shall be notified to the 'employees' by displaying a copy thereof on the notice board or where no such notice board is provided, at a prominent place in the premises where the employees are working. A few copies of the 'scheme' may also be supplied to the recognised unions/associations of the employees.

15. Action on the 'scheme' coming into force-

- 15.1. By the 10th of the month preceding the month in which the 'scheme' comes into force, the Head of Office shall supply to the Drawing and Disbursing Officer a statement indicating the name, the Group and the date of birth of every 'employee' in service on the date of commencement of the scheme.
- 15.2. By the 10th of every month from the month in which the 'scheme' comes into force, the Head Office shall apply to the Drawing and Disbursing Officer, names, Group, dates of birth and dates of appointment of persons-
 - (a) Who may be appointed to any service or post under the State Government during the preceding month and who would be eligible for insurance cover under the scheme' in terms of rule 6.1 ;
 - (b) Who have been enrolled as members of the scheme during the preceding month in terms of rule 4.3 ; and
 - (c) Who have been promoted/appointed from one Group to another and whose rate of subscription is revised in terms of rule 5.2.

16. Register of members-

The Head of Office shall ensure that Group-wise register of members is maintained in the Form No. 8 and kept up to date. This register shall be sent to the Drawing and Disbursing Officer concerned once a year to verify whether appropriate subscriptions are being recovered from all employees who have joined the Insurance Fund or both the Insurance Fund and the Savings Fund under the 'scheme' and to record a certificate to this effect.

17. Nomination-

17.1. The Head of Office shall obtain from every 'employee', a nomination conferring on one or more persons, the right to receive the amount that may become payable under this 'scheme' in the event of his death before attaining the age of superannuation. In the case of 'employees' who are already in State Government service as on the 1st January 1982, such nomination shall be obtained immediately and in any case within two months and in the case of 'employees' who join State Government service on or after 1st January 1982, such nomination shall be obtained along with the joining report.

17.2. ¹[If any 'employee' or member of the 'scheme' has a family at the time of his making the nomination he shall make such nomination only in favour of a member or members of his family. "Family" for this purpose, means:

- (i) in the case of a male subscriber the wife or wives and children of subscriber, and the widow or widows, and children of a deceased son of the subscriber; provided that if a subscriber proves that his wife has been judicially separated from him or has ceased under the customary law of the community to which she belongs to be entitled to maintenance, she shall hence forth be deemed to be no longer a member of the subscriber's family in matters to which these rules relate, unless the subscriber subsequently indicates by express notice in writing to the Head of the office that she shall continue to be so regarded; and
- (ii) in the case of a female subscriber, the husband and children of a subscriber, and the widow or widows and children of a deceased son of a subscriber; provided that if a subscriber by notice in writing to the Head of the office expresses her desire to exclude her husband from her family, the husband shall hence forth be deemed to be no longer a member of the subscriber's family in matters to which these rules relate, unless the subscriber subsequently cancels formally in writing her notice excluding him.

Note: 1.- An adopted child shall be considered to be a child of the adoptive parents when the Head of the office or if any doubt arises in the mind of the Head of the office, the Administrator of the scheme in Karnataka, Bangalore, is satisfied that under the personal law of the subscriber, adoption is legally recognised as conferring the status of a natural child.

Note: 2.- A child of one person given in adoption to another shall not be considered to be the child of the former for the purpose of the benefits of this scheme, unless the Head of the office or the Administrator of the scheme in Karnataka is satisfied that under the personal law of the persons concerned such adoption is legally recognised.

1. Substituted by notification no. FD 15 SRP(CSC)84. Dated: 24.1.1985

Note: 3.-The term 'Head of the office' refers to:

- a) The Head of the office in the case of employees belonging to Group 'C' and 'D'.
- b) The Head of the Department concerned in respect of officers belonging to Group 'A' and Group 'B' services of all Departments, except officers belonging to the K.A.S. and officers of the Community Development Department like the Block Development officers, District Development Assistants etc.
- c) The Department of personnel and Administrative Reforms and the Rural Development and Panchayat Raj Departments respectively in respect of officers belonging to the K.A.S. and the officers of the Community Development Department like Block Development Officers, District Development Assistants etc.
- d) The Secretary to Government in the Administrative Department of the Secretariat, in the case of Heads of Departments; and
- e) The Head of the Department concerned in the case of Government employees in Foreign Service.]

17.3. If any 'employee' or member nominates more than one person under rule 17.1 he shall specify in the nomination the amount of share payable to each of the nominees in such a manner as to cover the whole of the amount payable under the 'scheme' failing which the amount payable under the 'scheme' shall be equally distributed among the nominees.

17.4. The nomination shall be made in Form No. 6 or Form No. 7, as is appropriate in the circumstances.

17.5. Any 'employee' or member of the 'scheme' may at any time cancel a nomination by sending a notice to the Head of Office along with a fresh nomination made in accordance with the above provision.

17.6. The nomination received from the 'employee'/members shall be counter-signed by the Head of Office and pasted on their service books. The Head of Office shall also make an entry in the Service book that the nomination has been duly received.

18.The existing Karnataka State Employees' Family Benefit fund-

18.1. All "employees" who are in service as on 1st January 1982 and who are governed by this 'scheme' shall with effect from the said date, cease to subscribe to the Karnataka State Employees Family Benefit Fund established by Government Order No. FD 170 PID 74 dated 19th May, 1975. The amount which would have been due to them under the existing Fund, had they ceased to be in employment with the State Government in the afternoon of 31st December 1981 shall continue in the said Fund. This amount shall carry interest at 6 ²/₃ per cent annum. The amount together with the interest thereon shall be payable to the employees on their retirement or to the person(s) who would have been entitled to receive family benefit under rule 9 of the Karnataka State Employees' Family Benefit Fund Rules.

¹["Provided that the amount shall carry interest at 10.5% per annum with effect from 1.6.1985"]

1. Inserted vide notification no. FD 11 SRP (S.III)85 dated: 10.12.1985

18.2. For 'employees' who join service on or after 1st January 1982, membership of the Karnataka State Employees' Family Benefit Fund shall not be admissible.

19. **Administration-**

¹["The Director of Karnataka Government Insurance Department is nominated as Administrator of the scheme."]

20. **Accounting-**

The transaction relating to the "scheme" shall be accounted for in accordance with the procedure laid down by Government in this behalf.

21. **Interpretation and clarification-**

21.1. If any categories of 'employees' are not specifically classified in to Group A, Group B, Group C or Group D, their classification shall be assumed in accordance with the principles laid down in this regard under the Karnataka Civil Service (Classification Control and Appeal) Rules, 1957.

21.2. In the actual implementation of the 'scheme' if any doubt arises in regard to the interpretation of any of the provisions of this 'scheme' or if any point requires clarification, the matter shall be referred to Government whose decision shall be final.

22. **Review of the 'scheme'-**

Government may review the working of the 'scheme' every three years to ensure that the 'scheme' remains self- financing and self-supporting.

By order and in the name of the Governor of Karnataka,

Secretary to Government,
Finance Department.

1. Substituted vide notification no. FD 08 SA VI YO 2010 dated: 10.3.2011

TABLE

(RULE 8.2)

Benefit from the Savings Fund under the Karnataka State Government Employee's Group Insurance Scheme 1981 for the period from 1st January 1982 to 31st December 2011 on monthly subscription of Rs.10

Period of membership (in months)	Amount Paid Rs. Ps	Period of membership (in months)	Amount Paid Rs. Ps
1	7.00	31	242.00
2	14.00	32	249.00
3	21.00	33	262.00
4	28.00	34	269.00
5	35.00	35	276.00
6	42.00	36	289.00
7	49.00	37	296.00
8	56.00	38	303.00
9	64.00	39	317.00
10	71.00	40	324.00
11	78.00	41	331.00
12	87.00	42	346.00
13	94.00	43	353.00
14	101.00	44	360.00
15	110.00	45	376.00
16	117.00	46	383.00
17	124.00	47	390.00
18	134.00	48	406.00
19	141.00	49	413.00
20	148.00	50	420.00
21	158.00	51	438.00
22	165.00	52	444.00
23	172.00	53	451.00
24	183.00	54	469.00
25	190.00	55	476.00
26	197.00	56	483.00
27	209.00	57	502.00
28	216.00	58	509.00
29	222.00	59	516.00
30	235.00	60	536.00

Period of membership (in months)	Amount Paid Rs. Ps	Period of membership (in months)	Amount Paid Rs. Ps
61	543.00	94	971.00
62	549.00	95	978.00
63	570.00	96	1010.00
64	577.00	97	1017.00
65	584.00	98	1023.00
66	605.00	99	1056.00
67	612.00	100	1063.00
68	619.00	101	1070.00
69	641.00	102	1103.00
70	648.00	103	1110.00
71	655.00	104	1117.00
72	678.00	105	1152.00
73	685.00	106	1159.00
74	692.00	107	1166.00
75	716.00	108	1202.00
76	723.00	109	1208.00
77	730.00	110	1215.00
78	755.00	111	1253.00
79	762.00	112	1259.00
80	769.00	113	1266.00
81	795.00	114	1305.00
82	802.00	115	1312.00
83	809.00	116	1319.00
84	836.00	117	1358.00
85	843.00	118	1365.00
86	850.00	119	1372.00
87	878.00	120	1413.00
88	885.00	121	1420.00
89	891.00	122	1427.00
90	921.00	123	1470.00
91	927.00	124	1477.00
92	934.00	125	1483.00
93	965.00	126	1527.00

Period of membership (in months)	Amount Paid Rs. Ps	Period of membership (in months)	Amount Paid Rs. Ps
127	1534.00	160	2273.00
128	1541.00	161	2280.00
129	1587.00	162	2343.00
130	1593.00	163	2350.00
131	1600.00	164	2357.00
132	1647.00	165	2423.00
133	1654.00	166	2430.00
134	1661.00	167	2437.00
135	1709.00	168	2505.00
136	1716.00	169	2511.00
137	1723.00	170	2518.00
138	1773.00	171	2588.00
139	1780.00	172	2595.00
140	1787.00	173	2602.00
141	1838.00	174	2674.00
142	1845.00	175	2681.00
143	1852.00	176	2688.00
144	1905.00	177	2762.00
145	1912.00	178	2768.00
146	1919.00	179	2775.00
147	1974.00	180	2852.00
148	1981.00	181	2858.00
149	1988.00	182	2865.00
150	2044.00	183	2944.00
151	2051.00	184	2951.00
152	2058.00	185	2958.00
153	2116.00	186	3038.00
154	2123.00	187	3045.00
155	2130.00	188	3052.00
156	2190.00	189	3135.00
157	2197.00	190	3142.00
158	2204.00	191	3149.00
159	2266.00	192	3235.00

Period of membership (in months)	Amount Paid Rs. Ps	Period of membership (in months)	Amount Paid Rs. Ps
193	3242.00	225	4506.00
194	3248.00	226	4513.00
195	3337.00	227	4520.00
196	3343.00	228	4640.00
197	3350.00	229	4646.00
198	3441.00	230	4653.00
199	3448.00	231	4777.00
200	3455.00	232	4783.00
201	3548.00	233	4790.00
202	3555.00	234	4917.00
203	3592.00	235	4924.00
204	3658.00	236	4931.00
205	3664.00	237	5061.00
206	3671.00	238	5068.00
207	3770.00	239	5075.00
208	3777.00	240	5208.00
209	3784.00	241	5215.22
210	3885.00	242	5222.00
211	3892.00	243	5359.00
212	3899.00	244	5366.00
213	4003.00	245	5373.00
214	4010.00	246	5514.00
215	4017.00	247	5521.00
216	4124.00	248	5528.00
217	4131.00	249	5673.00
218	4138.00	250	5680.00
219	4248.00	251	5687.00
220	4255.00	252	5836.00
221	4262.00	253	5843.00
222	4376.00	254	5850.00
223	4382.00	255	6003.00
224	4389.00	256	6010.00

Period of membership (in months)	Amount Paid Rs. Ps	Period of membership (in months)	Amount Paid Rs. Ps
257	6017.00	289	8145.00
258	6174.00	290	8152.00
259	6181.00	291	8363.00
260	6188.00	292	8369.00
261	6349.00	293	8376.00
262	6356.00	294	8593.00
263	6363.00	295	8599.00
264	6529.00	296	8606.00
265	6536.00	297	8828.00
266	6543.00	298	8835.00
267	6713.00	299	8842.00
268	6720.00	300	9070.00
269	6727.00	301	9077.00
270	6902.00	302	9084.00
271	6909.00	303	9318.00
272	6916.00	304	9325.00
273	7095.00	305	9331.00
274	7102.00	306	9572.00
275	7109.00	307	9579.00
276	7294.00	308	9585.00
277	7301.00	309	9832.00
278	7308.00	310	9839.00
279	7497.00	311	9846.00
280	7504.00	312	10099.00
281	7511.00	313	10106.00
282	7706.00	314	10112.00
283	7712.00	315	10372.00
284	7719.00	316	10379.00
285	7919.00	317	10386.00
286	7926.00	318	10652.00
287	7933.00	319	10659.00
288	8138.00	320	10666.00

Period of membership (in months)	Amount Paid Rs. Ps	Period of membership (in months)	Amount Paid Rs. Ps
321	10940.00	341	12834.00
322	10947.00	342	13162.00
323	10953.00	343	13169.00
324	11234.00	344	13176.00
325	11241.00	345	13512.00
326	11248.00	346	13519.00
327	11536.00	347	13526.00
328	11543.00	348	13871.00
329	11550.00	349	13878.00
330	11845.00	350	13885.00
331	11852.00	351	14239.00
332	11859.00	352	14245.00
333	12162.00	353	14252.00
334	12169.00	354	14616.00
335	12176.00	355	14622.00
336	12487.00	356	14629.00
337	12494.00	357	15002.00
338	12501.00	358	15009.00
339	12821.00	359	15016.00
340	12827.00	360	15398.00

Form No. 1

GOVERNMENT OF KARNATAKA

DEPARTMENT / OFFICE.....

Dated.....

MEMORANDUM

Sri*.....a Group..... employee has been enrolled as a member of the Karnataka State Government Employees Group Insurance Scheme, 1981 with effect from His monthly subscription of Rs.(Rupees...) shall be deducted from his salary/wages commencing from the month of.....and he will be eligible to the benefits of the scheme appropriate to Group..... w.e.f.,.....

Head of Office

To

*Sri.....

*Name and designation of the employee

Form No. 2

GOVERNMENT OF KARNATAKA

DEPARTMENT / OFFICE.....

Dated.....

MEMORANDUM

*Sri.....has been promoted on a regular basis, from Group
.....to Group.....with effect from..... His monthly subscription
for the Karnataka State Employees Group Insurance Scheme, 1981 shall be raised from
Rs.....to Rs..... from the month ofand
he will be eligible to the benefits of the scheme appropriate to Group.....
w.e.f...

Head of Office

To

*Sri.....

*Name and designation of the employee

FORM NO. 3

To

The.....

.....

Subject--- Application for payment of accumulation under
Karnataka State Employees Group Insurance
Scheme Rules,1981.

Sir,

I have been a member of the Karnataka State Employees' Group Insurance Scheme, 1981 since** I have retired from service after attaining the age ofyears/ I have ceased to be in employment with the Karnataka Government w. e. f.....I was holding the post ofbefore retirement/cessation of employment with the State Government. I request that the amount due to me under the Karnataka State Employees ' Group Insurance Scheme may be paid to me.

Yours faith fully,

()

*Designation and address of the Head of Office.
**Month and the year of becoming a member of the Scheme may be indicated here.

Form No. 4

GOVERNMENT OF KARNATAKA

DEPARTMENT / OFFICE.....

Dated.....

To

*.....

.....

Subject---- Payment of the amount due under the Karnataka State Employee' Group InsuranceScheme1981.

Dear Sir/Madam,

I am directed to state that the late Sri..... has nominated you for payment of full/.....per cent of amounts due under the Karnataka State Employees' Group Insurance Scheme, 1981. You are therefore requested to submit an application in the enclosed Form No.5 for arranging payment.

Yours faithfully

()

*Name and address of the nominee.

FORM NO. 5

To

The.....

.....

Subject-- Application for payment of amount due to late Sri-----under the Karnataka State Employees, Group Insurance Scheme 1981.

Sir,

With reference to your letter No..... datedI hereby request that the full/per cent of amount due to late Sri..... Under the Karnataka State Employees Group Insurance Scheme, may be paid to me.

Yours faithfully

()

*Name and address of the Office from where Form

NO.4 is received..

Form No 6

NOMINATION FOR BENEFITS UNDER THE KARNATAKA STATE EMPLOYEES' GROUP
INSURANCE SCHEME, 1981

When the Government employee has no family and wishes to nominate one person or more than one person

I, having no family, hereby nominate the person/persons mentioned below and confer on him/them the right to receive to the extent specified below any amount that may be sanctioned by the Karnataka Government under the Karnataka State Employees 'Group Insurance Scheme, 1981 in the event of my death while in service or which having become payable on my attaining the age of superannuation may remain unpaid at my death.

Names and addresses of nominee/s	Relationship with Govt. employee	Age	**Share of amount be paid to each	**contingencies on the happening of which the nomination shall become invalid	Name, address and relationship of the person, if any, to whom the right of the nominee shall pass in the event of his predeceasing the Govt. employee
1	2	3	4	5	6

- 1.
- 2.
- 3.

Dated, this day of 19 at

Signature of Two witnesses;

- 1)
- 2)

Signature of Govt. employee.

N. B.: The Government employee should draw line across the blank space below his last entry to prevent the insertion of any names after he has Signed. This column should be filled in so as to cover the whole amount that may be payable under the Insurance Scheme.

**Where a Government employee who has no family makes a nomination, he shall specify in this column that the nomination shall become invalid in the event of his subsequently acquiring a family.

Form No 7

NOMINATION FOR BENEFITS UNDER THE KARNATAKA STATE EMPLOYEES' GROUP INSURANCE SCHEME, 1981

When the Government employee has a family and wishes to nominate one member or more than one member thereof

I, hereby nominate the person/persons mentioned below, who is/are member(s) of my family, and confer on him/them right to receive to the extent specified below any amount that may be sanctioned by the Karnataka Government under the Karnataka State Employees 'Group Insurance Scheme, 1981 in the event of my death while in service or which having become payable on my attaining the age of superannuation may remain unpaid at my death.

Names and addresses of nominee/s	Relationship with Govt. employee	Age	*Share to be paid to each	contingencies on the happening of which the nomination shall become invalid	Name, address and relationship of the person, if any, to whom the right of the nominee shall pass in the event of his predeceasing the Govt. employee
1	2	3	4	5	6

1.

2.

3.

Dated, this day of 19 at

Signature of Two witnesses;

1)

2)

Signature of Govt. employee.

N. B.: The Government employee should draw line across the blank space below his last entry to prevent the insertion of any names after he has signed.

* This column should be filled in so as to cover the whole amount that may be payable under the Insurance Scheme.

FORM NO. 8
Karnataka State Employees Group Insurance Scheme, 1981
Register of Members
Group:

SECTION I;- Particulars of employees subscribing to the insurance Fund only.

Sl no	Name	Designation	Date of birth	Date of appointment	Date of commencement of subscription	Date of promotion to higher Group/Date of transfer to other departments	Date of death	Remarks
1	2	3	4	5	6	7	8	9

SECTION II: Particulars of Employees subscribing to both Insurance Fund & Savings Fund.

Sl no	Name	Designation	Date of birth	Date of appointment	Date of commencement of subscription	Date of promotion to higher Group/Date of transfer to other departments	Date of cessation of membership and reason therefor	Remarks
1	2	3	4	5	6	7	8	9

FINANCE SECRETARIAT

**SUBJECT:- KARNATAKA STATE EMPLOYEES' GROUP INSURANCE
SCHEME, 1981- ACCOUNTING PROCEDURE**

GOVERNMENT ORDER No. FD 80 SRP (CSC) 81, BANGALORE,

DATED THE 21ST DECEMBER 1981

- 1 The following procedure is prescribed for accounting of the transaction under the Karnataka State Employee's Group Insurance Scheme, 1981, as introduced by Government Notification No. FD 80 SRP (CSC) 81, dated the 21st December 1981.

Head of Account:-

2. There shall be no individual accounting under the Scheme. The transactions under the Scheme shall be booked as detailed below, in the public account of the State under a new minor head "State Government Employee' Group Insurance Scheme" below the existing major head "8011. Insurance and pension Funds:-

Insurance Fund:-

Receipts 8011 - Insurance and pension Funds
- State Government Employees'
Group Insurance Scheme (new minor head)
- Insurance Fund (Sub-head)
(Receipts)

Disbursement 8011 - Insurance and pension Fund
- State Government Employees' Group
Insurance Scheme (new minor head)
- Insurance Fund (Sub-head)(Disbursement)

Savings Fund:-

Receipts 8011 - Insurance and pension Funds
- State Government Employees' Group
Insurance Scheme (new minor head)
- Savings Fund (Sub-head) (Receipts)

Disbursement 8011 - Insurance and pension Funds
- State Government Employees' Group
Insurance Scheme (new minor head)
- Savings Fund (Sub-head)(Disbursements)

3. Recovery of Subscriptions:-

3.1 Where salaries/wages of members/employees are drawn from a Government treasury, recovery of subscriptions from the salaries/wages shall be made by the Drawing and Disbursing Officer concerned. In the portion of the pay bills pertaining to classification, the Drawing and Disbursing Officer shall exhibit the subscriptions recovered from the employees under the sub-heads indicated above. He shall attach a duly completed schedule to the monthly pay bill, as per Annexure 'A'.

3.2 Where a member/employee draws his own salary from a Government treasury under authorisation issued by the Accountant General, he shall, in the portion of the pay bill pertaining to classification, indicate the subscriptions deducted from his salary under the sub-heads indicated above. He shall also attach a duly completed schedule to the pay bill, as per Annexure 'A'.

3.3 Where salaries of members/employees are drawn by the Accountant General under IRLA system, he shall, in the portion of the pay bills pertaining to classification, indicate the subscriptions recovered from their salaries under the sub-heads indicated above. He shall also send a duly completed schedule as per Annexure 'A', to the Administrator of the scheme.

3.4 When a member/employee is deputed to foreign service, except Government of India or some other State Government, the foreign employer or the borrowing authority shall remit the amount of subscription recovered from the salary of the member/employee under the Scheme to the Head of his parent office by a cheque or by Demand Draft in his favour, together with a schedule in Annexure 'A'. Separate cheque or Demand Draft shall be sent in respect of each Head of Office. The Head of the Office shall indicate the fact of recovery in Column 9 of the Register of Members and send the Draft or Cheque to the Treasury Officer concerned for adjustment

3.5 Where a member/employee is deputed to foreign service under the Government of India or some State Government, the Drawing and Disbursing Officer in the Government of India or the State Government concerned shall attach a certificate of Group Insurance Scheme deductions with the monthly pay bill of the member/employee with a clear indication that the amount is transferable to the Government of Karnataka and Accountant General concerned shall transfer the amount to the Government of Karnataka through the Accountant General, Karnataka and transmit the certificate to the Accountant and Disbursing Officer shall send a monthly schedule in Annexure 'A' to the Head of the parent office, together with a certificate that the amount shown in the schedule has actually been recovered from the pay bill of the member/employee and that the amount has been classified under the appropriate head of account. The head of the parent office shall make an entry of the fact of recovery of the subscription in Column 9 of the Register of Members.

3.6 Where a member/employee is deputed to Foreign Service outside India, he shall remit the amount of Group Insurance Scheme subscription to the Head of his parent office by Cheque or by Demand Draft in his favour. The Head of the Office shall make an entry of the fact of recovery of the subscription in Column 9 of the Register of Member and send the Draft or Cheque to the Treasury Officer for adjustment.

3.7 The Treasury Officer shall consolidate all schedules in Annexure 'A' of recovery of monthly subscriptions from members/employees and send the consolidated statement in Annexure 'B' to the Administrator of the Scheme by the 25th of every month.

3.8 The amount of subscriptions recovered from member/employees shall be credited to the relevant heads of account directly by the Treasury Officers concerned.

4. Payments from Insurance Fund/Savings Fund:

4.1 As specified in rule 10 of the Karnataka State Employees' Group Insurance Scheme Rules, 1981, the authority competent to sanction payment of amounts due from Insurance Fund/Savings Fund under the scheme is the "Head of Office". The term 'Head of office' refers to:-

- (a) The Head of the Office in the case of employees belonging to Group 'C' & 'D'.
- (b) The immediate superior officer, in the case of employees belonging to Group 'B' & 'A'.
- (c) The Secretary to Government in the Administrative Department of the Secretariat, in the case of Heads of Department ; and
- (d) The Head of the Department concerned, in the case of Government employees in Foreign Service.

4.2 On receipt of sanction to the payment of amounts due from the Insurance fund/Savings fund under the scheme from the Head of the Office concerned the Drawing and Disbursing officer shall prepare a bill in triplicate in each case in a simple receipt form as in Annexure 'C', for drawing the amount towards disbursements to the payee (s) concerned. The Drawing and disbursing officer shall verify the payments with reference to the provisions of rule 10 of the aforesaid rules. The Bill shall indicate separately entitlements from Insurance Fund and Savings fund. The payments shall be classified under the respective sub-heads mentioned in Para 2 above. The bills shall be sent by the Drawing and Disbursing officer to the treasury officer concerned for payment by crossed Cheque. The treasury officer shall, after due verification, pass the bill for payment and pay the amount the payee(s) concerned by crossed cheque and thereafter returned the duplicate copy of the bill to the Drawing and Disbursing officer concerned for making a suitable entry of the payments made in column 9 of the Register of members.

4.3 The concerned Treasury Officer shall keep a record of all disbursements made under the scheme in suitable register and send a schedule of monthly disbursements as in Annexure D' to the Administrator of the scheme by the 25th of the month following the month to which the disbursements relate.

Quarterly Report:

4. The Administrator of the Scheme shall send a quarterly statement of accounts to the Secretary to Government, Finance Department as in Annexure 'E', within two months of the completion of each quarter.

Transfer of Members:

6. If a member/employee is transferred from one office/department to another, detailed information in regard to the Group to which he belongs, the date of his continuous membership in the Group and also in the lower Groups, if any, for the benefits from the Insurance fund or both Insurance Fund and Savings fund, as the case may be should be sent to the Head of the office along with the transfer orders. On receipt of these particulars, the Head of the office shall make necessary entries in the Register of Members. The LPC to be issued on such transfer should be accompanied by a certificate to the effect that the member/employee has subscribed to the Insurance Fund or both to the Insurance Fund and Savings Fund as the case may be, up to and including the month of----- As soon as the LPC is received, the drawing and disbursing officer of the new office/department shall commence recovery of subscription from the individual concerned beyond the month up to which such subscription has been recovered earlier.

Consolidation of Accounts and calculation of Interest:

7. The Administrator of the Scheme shall consolidate the accounts of each month in respect of receipts and disbursements from the Insurance Fund and the Saving Fund. After taking into account the payment made during a quarter, the positive balance under each of the two funds shall be credited with interest calculated at the rates of interest notified by Government for the purpose. The Administrator of the Scheme shall send necessary intimation to the Accountant General for credit of interest for each quarter. The amount of interest credited to the two funds taking together shall have contra debit to the following head of account:

2049- Interest on small Savings, Provident Fund etc.

- Interest on Insurance and Savings Fund (minor head)

- State Government Employees Group Insurance Scheme (new sub-head)

These figures shall be incorporated in the State Government account of the last month of each quarter.

Submission of Budget Estimates:

8. At the appropriate time every year the estimates of receipts and disbursements under the Scheme as well as interest payments shall be furnished to the Finance Department by the Administrator of the Scheme.

Audit:

9. The accounts of the Fund shall be audited by the Accountant General, Karnataka.

Reconciliation of Accounts:

10. The Administrator of the Scheme shall watch the monthly receipts and disbursements under the scheme and reconcile the treasury figures with those booked by the Accountant General.

By Order and in the name of the Governor of Karnataka,

Secretary to Government,
Finance Department.

ANNEXURE 'A'

SCHEDULE PERTAINING TO KARNATAKA STATE EMPLOYEES' GROUP INSURANCE SCHEME

ATTACHED TO PAY BILL FOR 20----

Name of Office D.D. O -----

Name of the Sub- Treasury/Treasury-----

¹[I. EMPLOYEES SUBSCRIBING TO INSURANCE FUND ONLY]

Group	No. Employees	Rate of monthly Subscription Rs.	Total amount Rs.
1	2	3	4
A		76	
B		57	
C	38		
D	19		
Total	....	...	...

¹[II.MEMBERS SUBSCRIBING TO INSURANCE FUND AND SAVINGS FUND]

Group members	No of	Insurance Fund		Savings Fund	
		Rate of monthly Subscription amount Rs.	Total Rs.	Rate of monthly Subscription amount Rs.	Total
		3	4	5	6
A	76	164			
B	57	123			
C		38	82		
D	19	41			
Total	....	....	...	....	...

III. Amount creditable to Insurance Fund Rs.
(Column 4 of I + Column 4 of II)

IV. Amount creditable to Savings Fund Rs.
(Column 6 of II)

Note: Where the total amounts creditable to Insurance Fund and Savings Fund contain fractions of a rupee, the higher Fraction may be rounded to a rupee.

Seal of Office

Date: Signature of D.D.O

ANNEXURE 'B'

SCHEDULE OF RECEIPTS PERTAINING TO KARNATAKA STATE EMPLOYEES' GROUP INSURANCE SCHEME FOR 20----

Name of the Sub- Treasury/Treasury-----

1[I. EMPLOYEES SUBSCRIBING TO INSURANCE FUND ONLY]

Group	No. of employees	Subscription Rs.	Rate of monthly Rs.	Total amount
1	2		3	4
A			76	
B			57	
C			38	
D			19	
Total

1[II. MEMBERS SUBSCRIBING TO INSURANCE FUND AND SAVINGS FUND]

Group members	No of	Insurance Fund		Savings Fund	
		Rate of monthly amount	Total	Rate of monthly amount	Total
1	2	Rs.Rs.	Rs.Rs.	Rs.Rs.	Rs.Rs.
		3	4	5	6
A	76		164		
B	57		123		
C		38		82	
D		19	41		
Total	....	....	...	....	...

III.	Amount creditable to Insurance Fund (Column 4 of I + Column 4 of II)	Rs.
IV.	Amount creditable to Savings Fund (Column 6 of II)	.....
V.	Grand total of receipts under the Scheme (III + IV)	.....

Seal of Office

Date: Signature of Treasury

Officer

ANNEXURE 'C'
RECEIPTED BILL

Received a sum of Rs..... ()
 From the Insurance and /or of Rs..... ()
 From the Saving Fund accrued to the undersigned, whose particulars are given below:
 Name of the employee/member
 Designation of the post held immediately
 Before retirement/death
 Group to which the employee/member belonged A/B/C/D
 Name of the legal heir(s) in the event of death 1.....
 Of the employee/member 2.....
 3.....

Dated..... Signature of the recipient(s)

FOR USE IN DEPARTMENTAL OFFICE

- (a) Relevant bio-data of employee/member
 (1) Date of commencement of insurance cover/membership
 and the group to which he belonged initially
 (2) Year of acquiring membership in higher group.....
- | | | |
|-------|---|---------|
| (i) | C | 19----- |
| (ii) | B | 19----- |
| (iii) | A | 19----- |

- (b) Countersigned for payment of Rs..... ()
 to claimant (s) by crossed Cheque.

Signature
 Date
 Designation of D.D.O

FOR USE IN THE TREASURY OFFICE

Passed for payment of Rs..... ()
 By crossed Cheque No.....dated.....

Head of debit	Amount
(1) 8011 - Insurance and Pension Funds – State Government Employees' Group Insurance Scheme (new minor head) - Insurance Fund (sub-head) (Disbursements)
(2) 8011 - Insurance and Pension Funds - State Government Employee' Group Insurance Scheme (new minor head) - Savings Fund (sub-head) (Disbursements)

Signature
 Date.....

Designation of Treasury officer

ANNEXURE 'D'

SCHEDULE OF DISBURSEMENTS UNDER KARNATAKA STATE EMPLOYEES'
GROUP INSURANCE SCHEME FOR20.....

Name of sub-Treasury/Treasury.....

I. Disbursements in respect employees/members on account of death while in service.

Group members who died	Number of employees/	Amount paid in rupees		
		Insurance Fund	Savings Fund	Total
1	2	3	4	5
A				
B				
C				
D				
Total				

II. Disbursements to members on retirement/resignation etc.

Group members who retired/resigned etc.	Number of employees/	Amount paid from Savings Fund in rupees
1	2	3
A		
B		
C		
D		
Total		

III. Total amount paid from Savings Fund Rs.....
(Column 4 of I + Column 3 of II)

Seal of Office

Date:

.....

Signature of Treasury Officer.

ANNEXURE 'E'

QUARTERLY STATEMENT OF ACCOUNTS OF KARNATAKA STATE EMPLOYEES' GROUP INSURANCE SCHEME FOR THE QUARTER ENDED.....20.....

I. Insurance Fund-Receipts

(Amount in rupees)

Month	opening Balance	Receipts during the month	Total receipts (2 +3)
1	2	3	4

II. Insurance Fund-Disbursements

Month	Disbursements (Amount in rupees)
1	2

III. Insurance Fund -closing Balance

Amount in rupees

Month	* Closing balance (Column 4 of I- Column 2 of II)	Interest added to the closing balance of the last month of the quarter.
1	2	3
	Nil
	Nil
Total		

*Note: Closing balance does not include interest.

IV. Savings Fund-Receipts

Month	opening Balance	Receipts during the month	Total receipts
1	2	3	4

V. Savings Fund-Disbursements

Month	Disbursements (Amount in rupees)
1	2

VI. Savings Fund-Closing balance

(Amount in rupees)

Month	Balance (Column 4 of IV- Column 2 of V)	Interest added to the balance of the last month	*Closing balance (2+3)
1	2	3	4
		Nil	
		Nil	

*Note: Closing balance includes interest.

Seal of Office
Date

Signature of Administrator.

GOVERNMENT OF KARNATAKA

FINANCE DEPARTMENT

OFFICEAL MEMORANDUM

Karnataka state Employees' Group Insurance Scheme, 1981-Recovery of subscription from Government employees

NO. FD 80 SRP (CSC) 81, BANGALORE DATED 21ST DECEMBER 1981.

Government have introduced "Karnataka State Employees' Group Insurance Scheme", by Government Notification No. FD 80 SRP (CSC) 81, dated 21st December 1981.

2. The Group Insurance Scheme is applicable to all State Government employees appointed in accordance with the rules of recruitment, including those borne on work-charged/contingent establishment on time scales of pay. The membership of the Group Insurance Scheme is compulsory for all the aforesaid employees.

(i) Who are in service as on 1st January 1982, and

(ii) Who join service on or after 1st January 1982.

Those employees in service as on 1st January 1982 will cease to subscribe to the Karnataka State Employees' Family Benefit Fund with effect from 1st January 1982 and are required to be enrolled as members of the Group Insurance Scheme with effect from the said date. Accordingly, Government are pleased to direct as follows:

- (a) No Subscription towards the Karnataka State Employees' Family Benefit Fund should be recovered from the salary payable for the month of December 1981 from Government employees who are required to be enrolled as members of the Group Insurance Scheme with effect from 1st January 1982 ;
- (b) Subscription for the month of January 1982 towards the Group Insurance Scheme at the rates specified in rule 5 of the aforesaid rules should be recovered from all Government employees who are required to be enrolled as members of the Group Insurance Scheme, from the salary payable to them for the month of December, 1981 ; and
- (c) If for want of time no recovery is effected as indicated at (b) above, the subscription for the month of January 1982 should be recovered along with the subscription for the month of February 1982 from the salary payable to the employees for the month of January 1982. If, however, a Government employee retires or dies during January 1982, his subscription for the month may be recovered from the arrears, if any, due to him or from D.C.R.G.

Special Secretary to Government,
Finance Department