

# HIMACHAL PRADESH CIVIL SERVICES (GROUP INSURANCE) RULES, 1984

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### PREAMBLE

In exercise of the powers conferred by Article 309 of the Constitution of India and all other powers enabling him in this behalf, the Governor of Himachal Pradesh is pleased to make the following rules, namely:-

### Rule - 1. Short title and commencements.

- (1) These rules may be called the Himachal Pradesh Civil Services (Group Insurance) Rules, 1984.
- (2) They shall come into force on the date of their publication in the Official Gazette.

### Rule - 2. Definitions.

In these rules, unless the context otherwise require,-

- (a) "family" shall have the meaning assigned to it in the General Provident Fund (Central Services) Rules, 1960;
- (b) "Form" means a form annexed to the Schedule;
- (c) "Group Insurance Scheme" means the Himachal Pradesh Government Employees Group Insurance Scheme, 1984 as set out in the Schedule;
- (d) "Insurance Fund" means the Insurance Fund under the Himachal Pradesh Government Employees Group Insurance Scheme, 1984;
- (e) "Member of Service" means a Himachal Pradesh Government Employees as set out in para 3 of the Schedule;
- (f) "Member of the Scheme" means a member of the service enrolled as member of the Himachal Pradesh Government Employees Group Insurance Scheme, 1984;
- (g) "Savings Fund" means the Savings Fund under the Himachal Pradesh Government Employees Group Insurance Scheme 1984; and
- (h) "Schedule" means the Schedule appended to these rules.

### Rule - 3. Application of Himachal Pradesh Employees Group Insurance Scheme.

A member of the service shall subscribe to the Himachal Pradesh Government Employees Group Insurance Scheme, set out in the Schedule, and shall be eligible to the benefits of the Scheme:

Provided that a member of the service who was appointed to the service before the commencement of these rules may exercise option not to be governed by the Himachal Pradesh Government Employees Group Insurance Scheme.

### Rule - 4. Interpretation.

If any question arises as to the interpretation of these rules, the Himachal Pradesh Government, Department of Finance, shall decide the same.

### SCHEDULE (See Rule 3)

## THE HIMACHAL PRADESH GOVERNMENT EMPLOYEES GROUP INSURANCE SCHEME, 1984

### 1. Date of effect.-

The Himachal Pradesh Government Employees Group Insurance Scheme, 1984 hereinafter referred to as the 'Scheme' shall be notified on 1st August, 1984 and shall come into force with effect from the forenoon of 1st April, 1985.

## **2. Objective.-**

The 'Scheme' is intended to provide for the Himachal Pradesh State Government Employees, at a low cost and on a wholly contributory and self-financing basis, the twin 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.

## **3. Application.-**

3.1 The 'Scheme' shall apply to all Himachal Pradesh Government servants including those State Government Employees who are on deputation/foreign service to Central Government, other State Governments, Union Territories, Autonomous Bodies, Public Sector Undertakings etc..

Contract Employees, persons on deputation from Central Government, other State Government, Union Territories, Public Sector Undertakings, or other Autonomous Organisations, casual labourers, part-time and ad hoc employees, will not be covered by the 'Scheme'.

The work-charged staff and industrial employees if they are regular State Government employees and not casual labourer, part-time or ad hoc employees, will however, be covered by the 'Scheme'. The 'Scheme' will not apply to persons recruited under the State Government after attaining the age of 50 years. Such State Government servants to whom the 'Scheme' applies will hereafter be referred to as 'Members'.

3.2 This 'Scheme' will not be applicable to the members of the All India Services who will be governed by the central Government Employees Group Insurance Scheme, 1980 separately notified by the Government of India.

## **4. Membership.-**

4.1 The 'Scheme' will be compulsory for all those 'Employees' who enter the Himachal Pradesh Government service after the 'Scheme' is notified, i.e. all those 'Employees' entering Himachal Pradesh Government service after 1st August, 1984 will be compulsorily covered under the 'Scheme' from the date it comes into force.

4.2 Those 'Employees' who are already in Himachal Pradesh Government service on the date the 'Scheme' is notified will have an option to opt out the 'Scheme'. This option should be exercised in Form 3 by the 30th September, 1984. Those employees who do not opt out of the 'Scheme', by that date will be deemed to have become members of the 'Scheme', from the date the 'Scheme' comes into force. The option, once exercised (or not exercised) will be treated as final and no further choice will be available.

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

Explanation.-The Employees shall be enrolled as a members of the new 'Scheme' only from 1st April every year commencing from the year 1985. If an employee enters service on or after 2nd April in any year commencing from the year 1985, he shall be given the benefit of appropriate insurance cover only (but not the benefits from the Savings Fund under the 'Scheme') from the actual date of joining service till the end of that year. This arrangement will be for the first year of the service only and continue until the date of the next anniversary of the 'Scheme'. The purpose is that the insurance cover should be available immediately, a person joins service, even though the full benefit

of the insurance cover and the Savings Fund will be available from the next anniversary of the 'Scheme'.

#### 5. Subscription for Members.-

[1][1. The subscription for the 'Scheme' will be in units of Rs. 15 per month. A class IV employee will subscribe for one unit, a Class-III employee for 2 units, a Class-II employee for 4 units and Class-I employee for 8 units. Thus the rate of subscription for a member of the 'Scheme' shall be Rs. 15, Rs. 30, Rs. 60 and Rs. 120 per month for Class-IV, III, II and I employees respectively.]

[2][Explanation.-For this purpose class of an employee will be reckoned on the basis of scale of pay of the post held by him/her on 1st day of April every year as under:-

	Class
Posts carrying scale of pay maximum is less than Rs. 1800/- P.M.	IV
Posts in scale of pay with maximum ranging between Rs. 1800/- and Rs. 3499/- P.M.	III
Posts in scale of pay with maximum ranging between Rs. 3500/- and Rs. 3999/- P.M.	II
Posts in scale of pay having maximum of Rs. 4000/- or more	I

Above mentioned norms of classification for the purpose of the Himachal Pradesh Government Employees Group Insurance Scheme will come into effect from 1st April, 1991.]

5.2. In the event of regular promotion of an employee from one Class to another, his subscription shall be raised from the next anniversary of the 'Scheme' to the level appropriate to the Class to which he is promoted. 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.

Explanation-I.-For example, if the 'Scheme' comes into force with effect from 1st April, 1985, a Class IV employee promoted on regular basis to Class III in May, 1985 shall continue to subscribe at the rate of Rs. 10/- per month up to March, 1986., and be eligible for the insurance cover of Rs. 10,000/- only in addition to the benefits from the Savings Fund appropriate to his subscription. From April, 1986, his subscription will be raised to Rs. 20/- per month and he will become eligible for an insurance cover of Rs. 20,000/- in addition to appropriate benefits from the Savings Fund.

Explanation-II.-It is also clarified that in interpreting the term 'regular promotion' for the purpose of para 5.2 of the Himachal Pradesh Government Employees Group Insurance Scheme, 1984 which lays down that in the event of regular promotion of the employee from one Class to another, his subscription shall be raised from the next anniversary of the scheme to the level appropriate to the Class to which he is promoted. Sometimes, 'regular' promotion, e.g. on 'until further orders' basis cannot be made for various reasons even though it is known that the promotion of the individual is likely to continue on a long term basis It is clarified that, unless a promotion has been made for a specified or short period and expected that the employee would revert to a post in a lower Class at the end of that period, he should be treated to have been promoted, for the purpose of the Scheme, on a regular basis and his subscription should be recovered from him accordingly. The question, whether an

employee is likely to revert to a post in the lower class may be decided by the Administrative authorities in their discretion, taking into consideration the circumstances of each case.

Once a person has been admitted to a higher Class, the rate of his subscription will continue at the same level even if he reverts to a post in the lower Class later on.

#### **6. Premium and Insurance Cover for Employees other than Members.-**

The 'employees' entering service in a month other than April, falling after April, 1985 will be given benefit of appropriate insurance cover from the date of joining Government service to the date of their becoming members of the 'Scheme' on payment of a subscription of Rs. 3/- per month as the premium for every Rs. 10,000/- of the insurance cover. From the date of anniversary of the 'Scheme' they will pay subscription at the rate indicated in para 5.1 above.

Explanation.-For example, if the 'Scheme' comes into force with effect from 1st April, 1985 a Class IV employee entering service in May, 1985 shall pay a subscription of Rs. 3/- per month's premium for an insurance cover of Rs. 10,000/- for a period of 11 months until March, 1986 and from April 1986, his subscription will be raised to Rs. 10/- per month and he shall become eligible for the benefits from Savings Fund in addition to the insurance cover of Rs. 10,000/-. Similarly, a Class III employee entering service in May, 1985 will pay a subscription of Rs. 6/- per month as the premium for an insurance cover of Rs. 20,000/- for a period of 11 months up to March, 1986 and from April, 1986, his subscription will be raised to Rs. 20/- per month and he shall become eligible for the benefits from the Savings Fund in addition to insurance cover of Rs. 20,000/-.

In accordance with the provision of para 6 of the Himachal Pradesh Government Employees Group Insurance Scheme, 1984 the employees entering service in a month other than April falling after April, 1985, are given the benefit of appropriate insurance cover from the date of joining Government service up to the date of their becoming members of the 'Scheme' on payment of sub-scription of Rs. 3/- per month as the premium for every Rs. 10,000/- of the insurance cover. They are required to pay subscription at full rate indicated in para 5.1 of the 'Scheme' from the date of next anniversary of the 'Scheme'.

Subscription at the rate of Rs. 3/- as premium for every Rs. 10,000/- of insurance cover should be recovered from an employee even if he joins service towards the end of the month say 26th of the month. In other words, in all cases premium has to be recovered at the rate of Rs. 3/- for every Rs. 10,000/- of insurance cover irrespective of date of the month on which an employee actually joins service.

#### **7. Insurance Fund and Insurance Cover for Members.-**

[3][7.1 In order to provide an Insurance cover to each member of the 'Scheme', a portion of the 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. 15,000 for each unit of subscription. It will be paid to the nominee(s) of the member of the 'Scheme' who unfortunately dies, due to any cause while in State Government service before attaining the age of superannuation.

2. The increased rates of subscription and the corresponding Insurance cover w.e.f. 1.4.1990 will be compulsory for all those employees who enter State Government service after the revised rates of subscription and the corresponding Insurance cover are notified i.e. all those employees entering the State Government

service after 30th June, 1989 will be compulsorily covered under the scheme with the revised rates of subscription and the corresponding Insurance cover from 1.4.1990. The employees entering service after the date of issue of this notification will be given benefit of appropriate insurance cover under the existing rates from the date of joining Government service to 31st March, 1990 i.e. on payment of Rs. 3 p.m. as the premium for every Rs. 10,000 of the Insurance cover.

3. Those employees who are already in State Government service on the date revised rates of subscription and the corresponding Insurance cover are notified, will have an option to opt out of the Scheme with the revised rates of subscription and corresponding Insurance cover. This option should be exercised by 31st October, 1989. Those employees who do not opt out of the Scheme with the revised rates of subscription and the corresponding Insurance cover by that date, will be deemed to have become members of the Scheme with the revised rates of subscription and the corresponding Insurance cover w.e.f. 1st April, 1990. The option once exercised (or not exercised) will be treated as final and no further choice will be available. Those employees, who are already in service and opt out of the Scheme with the revised rates of subscription and the corresponding Insurance cover, will continue to be members of the Scheme with the existing rates of subscription and corresponding Insurance cover as laid down in para 5.1 and 7.1 of the Scheme.]

#### **8. Savings Fund.-**

- 8.1 The balance of the subscription shall be credited to a Savings Fund. The amount of the Savings Fund will be held by the Himachal Pradesh Government in Public Account. The total accumulation of savings together with interest thereon will be payable to the member on his retirement after attaining the age of superannuation or on cessation of his employment with the Himachal Pradesh Government or to his nominee(s) on his death while in service.
- 8.2 The benefit from the Savings Fund will be as per illustration Table 1 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 per annum thereon. If at any time the rate of interest changes and/or the cost of insurance changes the benefits available from the Savings Fund will also change correspondingly.
- 8.3 In the case of death of a member of the 'Scheme' the payment of the amount of insurance will 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 of interest notified by the Finance Department, Government of Himachal Pradesh for the purpose.
- 8.5 Interest will be allowed at 10 per cent per annum (compounded quarterly) on the balances in the Savings Fund for a block of 5 years commencing from the date of the 'Scheme' comes into force.
- 8.6 Based on the interest rate of 10% per annum and the mortality rate of 3.75 per thousand, which will be applicable for a period of 3 years whereafter it will be reviewed, the actual benefits accruing

from the Savings Fund under the Himachal Pradesh Government Employees Group Insurance Scheme, 1984 for all periods from 1.4.1985 to 31.3.1988 on monthly subscription of Rs. 10/- have been shown in Table-II. The amounts shown in the enclosed table have been worked out to the nearest rupee after taking into account interest up to the end of the month of cessation of membership and it has been assumed that the subscription for any month, including the month of cessation of membership has been or will be deducted from that month's salary paid or to be paid at the end of the month. The respective benefits from the Savings Fund on a monthly subscription of Rs. 20/-, Rs. 40/- and Rs. 80/- will be twice, four times and eight times of those on a monthly subscription of Rs. 10/-.

#### **9. Recovery of the subscription.-**

- 9.1 The subscription of a member of the scheme for a month shall fall due at the commencement of the normal working hours of the first 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 of every month.
- 9.3 The subscription of a month shall be recovered by deduction from the salary/wage of the member for that month irrespective of the date of actual payment of salary/wage for that month.
- 9.4 The subscriptions shall be recovered every month including the month in which the 'member' 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' irrespective of their being on duty, leave or suspension.
- 9.6 No interest shall be levied on arrears of subscription if the non-recovery is due to delayed payments of salary/wage.
- 9.7 If a 'member' of the 'Scheme' is on extraordinary leave and there is no payment of his salary/wage for any period, his subscriptions for the months for which no payments of salary/wage are made to him, 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 following the month in which he resumes duties after the leave. If 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'.

Explanation.-For example, if a Class IV employee proceeds on ten month's extraordinary leave from 5.5.1985 to 4.3.1986 and no salary/wage is paid to him for any day for May, 1985 to February, 1986, his subscriptions totalling Rs. 80/- will be recovered together with interest calculated at the compound rate of interest of 10% per annum in not more than three instalments commencing from April, 1986.
- 9.8. If an 'employee' proceeds on deputation or on foreign service, the borrowing authority/foreign employer shall be requested to affect the recovery of the subscription and credit the same to the relevant head of account.- 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 will be watched in the same manner as applicable to leave salary and pension contribution. 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.

The amount of interest recoverable in such cases often involves fraction of a rupee. In order to facilitate accounting under the 'Scheme', it is suggested that the total amount of interest recoverable in such a case may be rounded to the nearest whole rupee that is fifty paise and above counting as the next higher rupee and less than fifty paise being ignored.

#### **10. Financing of Subscription from General/Contributory Provident Fund.-**

- 10.1. It will not ordinarily be permissible to finance the 'Scheme' from the General Provident/Contributory Provident Fund. However, if at any stage the financial position of an individual member does not permit him to subscribe to the 'Scheme' and to the General/Contributory Provident Fund at the same time, he may be permitted to make, as a separate transaction, a non-refundable withdrawal from the General/Contributory Provident Fund of an amount equivalent to a year's subscription paid for the 'Scheme'.
- 10.2. The subscription to the 'Scheme' will form part of deductions allowable in respect of Life Insurance premia, contributions to Provident Fund etc., in computing the total income of the subscriber for the purposes of income-tax, except to the extent of the amount finally withdrawn from the General/Contributory Provident Fund on account of such subscription.

#### **11. Payment from Insurance Fund/Savings Fund.-**

- 11.1. If a member retires on attaining the age of superannuation or otherwise ceases to be in Himachal Pradesh 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 his Savings Fund after obtaining a simple application in Form No. 4.
- 11.2. If a member dies while in service and his service book discloses that he was a member of the 'Scheme' the Head of Office shall address the nominee(s)/heir(s) of the Government servant concerned in Form No. 5 to submit an application in Form No. 6, and on receipt thereof shall issue a sanction for the payment of the amount of insurance and the accumulation in the Savings Fund to him (them).
- 11.3. The amount payable to the nominee(s)/heir(s) of a member who has the benefit of an insurance cover only will be the amount of insurance appropriate to his Class.
- 11.4. The amount payable to the nominee(s)/(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
  - (b) the amount due to him out of the Savings Fund for the entire period of his membership in the lowest Class; and

- (c) the amount or amounts due to him for the additional units by which his subscription was raised on each occasion due to appointment/promotion to higher Class for the period from which the rate of subscription was raised to the date of his death.

Explanation.-For example, if a Class IV employee, who is a member of the 'Scheme' acquires a membership in Class III and Class II after 5 years and 15 years of service respectively and dies while in service after 30 years of total membership in all these Classes, his nominee or nominees shall be paid the sum of the following amounts:-

- (i) the amount of insurance of Rs. 40,000/- due on a monthly subscription of Rs. 40/- being a Class II employee on the date of his death;
- (ii) the amount due from Savings Fund on a monthly subscription of Rs. 10/- (Rs. 10/-) for 30 years.
- (iii) the amount due from Savings Fund on a monthly subscription of Rs. 10/- (Rs. 20 minus Rs. 10) for 25 years; and
- (iv) the amount due from Savings Fund on a monthly subscription of Rs. 20/- (Rs. 40 minus Rs. 20) for 15 years.

11.5. The amount payable to the member who ceases to be in employment with the Himachal Pradesh Government on account of resignation, retirement etc., shall be:

- (a) the amount due to him out of the Savings Fund for the entire period of his membership on the lowest Class; and
- (b) the amount or amounts due to him for the additional units by which his subscription was raised on each occasion due to appointment/promotion to higher Class, for the period from which the rate of subscription was so raised to the date of cessation of his membership.

Explanation.-For example, if a Class IV employee who is member of the 'Scheme' acquires a membership in Class III and Class II after 10 and 20 years of service respectively and retires on superannuation after 30 years of total membership in all these Classes, he shall be paid the sum of the following amounts:-

- (i) the amount due to him from Savings Fund on a monthly subscription of Rs. 10/- for 3.0 years;
- (ii) the amount due to him from Savings Fund on a monthly subscription of Rs. 10/- (Rs. 20 minus Rs. 10) for 20 years.

(iii) the amount due to him from Savings Fund on a monthly subscription of Rs. 20/- (Rs. 40 minus Rs. 20) for 10 years.

11.6 If any member dies during a month before the recovery of subscription for that month from him, his dues shall be paid after deducting the subscription.

11.7. If any employee who is a member of the Himachal Pradesh Government Employees Group Insurance Scheme, 1984 joins later on an All India Service, he will have to elect either the Central Government Employees Group Insurance Scheme, 1980 or the Himachal Pradesh Government Employees Group Insurance Scheme, 1984.

**12. Withdrawals from Insurance Fund/savings fund.-**

12.1. 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 a member of the 'Scheme' while in service, shall be worked out in accordance with para 11 and paid to his nominee(s) in accordance with the accounting procedure to be prescribed separately from time to time.

12.2. It will 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 11 and paid to him or his nominee(s) in accordance with the accounting procedure prescribed separately.

**13. 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.

**14. Utilisation of accumulations in Insurance Fund/Savings fund.-**

The accumulations in the insurance Fund/Savings Fund shall be at the disposal of the Himachal Pradesh Government. The 'Scheme' is wholly self-financing and self-supporting. As far as possible the further generated under the 'Scheme' are proposed to be utilised for the benefits of employees including such purposes as Government Housing and Housing Loans etc.

**15. 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. The 'Scheme' may also be notified to the State Government Employees who are on deputation/foreign service to Central Government, other State Governments, Union Territories, Autonomous Bodies, Public Sector Undertakings, etc. A few copies of the 'Scheme' may also be supplied to the recognised Unions/Associations of the employees.

**16. Action on notification of the 'Scheme'.-**

By the 10th of every month following the month in which the 'Scheme' is notified, the Head of Office shall supply to the Drawing and Disbursing Officer names, Classes, dates of birth and dates of appointment of persons who may be appointed to any service or post under the Himachal Pradesh State Government during the preceding month and who would be eligible to be the members of the 'Scheme' in terms of para 3 of the 'Scheme'.

**17. Action on the 'Scheme' coming into force.-**

- 17.1. By the 10th of 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 Class and the date of birth of every employee who has been in the State Government service on the date the 'Scheme' is notified but has not been opted out of the 'Scheme'.
- 17.2. Every member of the 'Scheme' shall be informed in Form No. 1 the date of his enrolment, the subscription to be deducted and the benefits to which he would be eligible. On his regular promotion from one Class to another he will be similarly informed in Form No. 2.
- 17.3. The option exercised by the 'employees' who are already in Himachal Pradesh State Government service on the date the 'Scheme' is notified, shall be in Form No. 3 and will be pasted in the service book of the individual concerned.

**18. Register of Members.-**

The Head of Office shall ensure that Class wise register of members is maintained in Form No. 9 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.

**19. Nomination.-**

- 19.1 The Head of Office shall obtain from every Government servant, who is a member of the 'Scheme' 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 join Himachal Pradesh Government service after the date in which 'Scheme' is notified, such nomination shall be obtained along with the joining report.
- 19.2. If a member of the 'Scheme' happens to be minor he will be required to make nomination on his attaining the age of majority.
- 19.3. If a 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. For his purpose, family will have the same meaning as assigned to it in the General Provident Fund (Central Services) Rules, 1960. If a female subscriber by notice in writing to the Head of 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 the Scheme relates, unless the subscriber subsequently cancels such notice in writing.
- 19.4. If a member nominates more than one person under para 19.1 he should 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.
- 19.5. The nomination shall be made in Form No. 7 or Form No. 8, as appropriate in the circumstances.
- 19.6 A member of the 'Scheme' may at any time cancel a nomination by sending a notice to the Head of Office along with fresh nomination made in accordance with the above provision.
- 19.7. The nomination received from the members shall be countersigned 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.

- 19.8. In accordance with the provisions of para 11.2 of the Himachal Pradesh Government Employees Group Insurance Scheme, 1984 if an employee, who was a member of the 'Scheme', dies while in service, payment of the amount of insurance and accumulation in Savings Fund in respect of such an employee is required to be made to his nominee(s)/heir(s). Para 19.3 of the 'Scheme' read with para 19.5 provides that if a member of the 'Scheme' has a family, he can nominate only a member or members of the family to receive the benefits admissible under the 'Scheme'. In case deceased employee did not make any nomination before his death or the nomination made by him is not in favour of a Member(s) of his family when he had family at the time of his death or the nomination is not valid for any other reason, payment in such cases may be regulated in accordance with the guidelines indicated below:

When an employee leaves a family and if no nomination in favour of a member or members of his family subsists or if such nominations 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 member of his family, become payable to the member of his family, in equal shares:

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.
- (v) If there is any member of the family other than those specified in clauses (i), (ii), (iii) and (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 have received if he had survived the subscriber and had been exempted from the provisions of clause (i) of the first proviso.

## **20. Accounting.-**

The transactions relating to the 'Scheme' shall be accounted for in accordance with the procedure laid down in the attached Appendix.

## **21. Interpretation and Clarifications.-**

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 may be referred to the State Government in Finance Department whose decision shall be final.

## **22. Review of the 'Scheme'.-**

The working of the 'Scheme' will be reviewed every three years to ensure that the 'Scheme' remains self-financing and self-supporting.

**23. Approval of the Scheme.-**

This scheme is being introduced with the prior approval of the Government of India as required under clause (f) of section 44 of the Life Insurance Corporation Act, 1956 (Act No. 31 of 1956).

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[1] Substituted vide Notification No. Fin-Com.-B(10)1/86, dated 30.6.1989, published in R.H.P. Extra., dated 30.6.1989, p. 1627-28.

[2] Explanation added vide Notification No. Fin-Com.-B(10)1/86, dated 6.3.1991, published in R.H.P. Extra., dated 12.3.1991, p, 294.

[3] Substituted vide Notification No. Fin-Com.-B(10)1/86, dated 30.9.1989, published in R.H.P. Extra., dated 30.6.1989, p. 1627-28.