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MIZORAM STATE GOVERNMENT GROUP INSURANCE SCHEME, 2014

Issued by Finance Department (APF), Government of Mizoram

No. G.19017/5/2002-F.APF
GOVERNMENT OF MIZORAM
FINANCE DEPARTMENT
APF BRANCH

NOTIFICATION

Aizawl, the 27th June, 2014

With a view to provide, at a low cost and on a wholly contributory and self-financing basis, the twin benefits of an insurance cover to help the families of the State Government Employees in the event of death or disappearance of the employees while in service and a lump sum payment to the employees on cessation of service/employment on account of resignation, retirement etc., of any kind, the Governor of Mizoram, **in exercise of the powers conferred by the provision of Article 166 of the constitution of India**, is pleased to make the Mizoram State Government Employees Group Insurance Scheme, 2014, to be effective from 1st July, 2014 as detailed in the Annexure. This Scheme will replace the Mizoram State Government Employees Group Insurance Scheme, 1992.

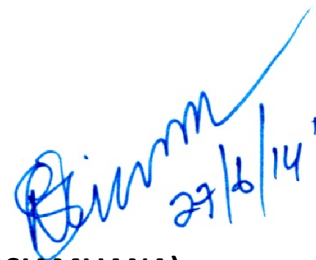
All Heads of Departments/Offices are requested to bring this notification to the notice of all employees concerned and ensure that the new Scheme is brought into effect from the forenoon of 1st July, 2014.

Detailed procedure regarding accounting of the transaction relating to the Scheme is also given in the ANNEXURE to this notification. Immediate actions are now requested to be taken as on para 6, 13, 14 and 15 of the Scheme which relate to informing members of their enrolment, collection of nomination from members and opening of a register of members etc.


(L.N TOCHHAWNG)
Finance Commissioner

Copy to:

1. Secretary to the Governor, Mizoram.
2. P.S to the Chief Minister, Mizoram.
3. P.S to all Ministers / Speaker/ Dy. Speaker / Ministers of State/
Parliamentary Secretaries, Mizoram.
4. P.S. to Vice Chairman, State Planning Board, Mizoram.
5. P.S. to Government Deputy Chief Whip, Mizoram.
6. P.P.S to Chief Secretary, Mizoram.
7. All Administrative Departments, Govt. of Mizoram.
8. Secretary, Mizoram Legislative Assembly.
9. Secretary, State Information Commission, Mizoram.
10. Secretary, Mizoram Public Service Commission.
11. Member Secretary, State Planning Board, Mizoram.
12. Resident Commissioner, Govt. of Mizoram, Lt. Ribhu Saxena Marg,
Vasant Vihar, New Delhi.
13. All Heads of Departments, Govt. of Mizoram.
14. Chief Controller of Accounts, Accounts & Treasuries, Mizoram,
Aizawl.
15. Controller of Printing & Stationeries, Mizoram with 6 (six) spare
copies for publication in Mizoram Gazette Extra Ordinary.
16. Under Secretary, Political & Cabinet Department for information
and necessary action with reference to Memo No.J.11011/1/2014-
POL dated 25th June, 2014.
17. All Treasury Officers/ Jt. Director of Accounts / Dy. Director of
Accounts / FAOs, Mizoram.
18. All Officers, Finance Department
19. Guard file.



(ROSIAMLIANA)

Under Secretary to the Govt. of Mizoram

Finance Department (APF)

0389 - 2336015

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ANNEXURE - I
MIZORAM STATE GOVERNMENT EMPLOYEES GROUP INSURANCE SCHEME,
2014

Effective date

1. The Mizoram State Government Employees Group Insurance Scheme, 2014, herein-after referred to as the Scheme, shall come into force with effect from the forenoon of 1st July, 2014.

Objective

2. The Scheme intends to provide the State Government Employees, at a low cost, on a wholly contributory and self financing basis, with the twin benefits of an insurance cover to help their families in the event of death while in service and a lump sum payment to augment their- resources on cessation of service.

Application

3 The Scheme shall apply to all State Government servants. However, contract employees, persons on deputation from Central or any other State Government, Public Sector undertakings or other autonomous organization, persons appointed against leave/training vacancy, casual labourer, part time and adhoc employees shall not be covered by the Scheme. The Scheme shall also 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 hereafter shall be referred to as 'employees'.

Membership

4.1 The Scheme shall be compulsory for all State Government employees who are in the State Government Service on or after 1st July, 2014, unless found not applicable under para 3.

4.2 After the scheme has come into force all 'employees' who enter service after the effective date shall be enrolled as members of the Scheme from the month of payment of the subscription, unless found ineligible under para 3.

Subscription for members

5.1 The subscription for the Scheme will be in units of Rs. 100/- per month. A Group 'D' employee will subscribe for 1 unit, a Group 'C' employee for 2 units, a Group 'B' employees for 3 units and a Group 'A' employee for 4 units. Thus, the rate of subscription for a member of the Scheme shall be Rs. 100/-, Rs. 200, Rs. 300 and Rs. 400 per month for Group D, C, B and A employees respectively. The subscription rate shall be apportioned to a ratio of 70:30 for insurance fund and Savings Fund respectively as shown in the table below para 6.1.

15.2 On regular promotion from one Group to another, the subscription of an employee shall be raised to the prescribed rate with effect from joining the new post for the group to which the employee is promoted. If the employee has made a subscription at lower rate for the month in which he/she is promoted, the subscription shall be raised from the next month and he/she shall continue to be covered for insurance corresponding to the lower subscription till the month the subscription is raised.

For example, if a Group 'D' employee is promoted on regular basis to Group C in the month of May, his subscription may immediately be increased from Rs. 100 to Rs. 200 from the salary of May. In case the salary for the month of May has been prepared in the lower Grade and deduction corresponding to Group D has already been made, the subscription rate shall be raised to Rs. 200 from June and he/she shall be covered by an insurance corresponding to Group D upto the month of May or till the month the subscription is raised to Rs. 200. Once the subscription is raised to Rs. 200/-, the employee shall become eligible for an insurance cover of Rs. 2,00,000 in addition to appropriate benefits from the Savings Fund.

Insurance fund and Insurance cover for members

6.1 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 will be Rs. 1,00,000/- (Rupees One Lakh) for each unit of subscription. It will be paid to the families of those 'employees' who die while in State Government Service.

The rate of subscription for Insurance Fund, Savings Fund and the sum assured is shown in the table below.

Group	IF ₹	SF ₹	Total ₹	Sum assured ₹
A	280	120	400	4,00,000
B	210	90	300	3,00,000
C	140	60	200	2,00,000
D	70	30	100	1,00,000

Note :- Group classification is based on Finance Department's Notification No.A.11011/11/2010-Fin(PRU) Dt 3.9.2010. The pay prescribed for a particular post will determine the rate of subscription and there will be no change in the subscription rate due to a Government servant getting higher grade pay merely an account of MACP. Rate of subscription will be changed in the case of regular promotion from lower group to higher group only.

6.2 The positive or negative balance under the insurance fund shall be credited or debited, as the case may be, to the Government account.

Savings Fund

7.1 The amount accumulated in the Savings Fund will be held by the State Government in Public Account. The total subscription of Savings Fund by the employee together with interest thereon shall be payable to the employee on retirement after attaining the age of superannuation or on cessation of employment in the State Government or to the family on the death of the employee while in service.

7.2 The benefits from the Savings Fund shall be calculated at the rate of 8% per annum simple interest based on the balance at the end of each month. In case such benefit calculated has decimal point, it will be rounded off to the next higher whole figure.

7.3 In case of death of a member, the payment of the insured amount will be in addition to the payment from the Savings Fund.

7.4 The positive balance under the Savings Fund shall be invested in the HBA fund disbursed by Government of Mizoram to the Government servants.

Recovery of Subscription

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

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

8.3 The subscription for a month shall be recovered by deduction from the salary of the employees for that month irrespective of the date of actual payment of salary for that month.

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

8.5 The Drawing and Disbursing Officer shall recover the subscriptions of the employee irrespective of their being on duty, leave or under suspension.

8.6 No interest shall be levied on arrears of subscription if the non-recovery is due to delayed payments of salary.

8.7 If an employees is on extra-ordinary leave and there is no payment of the salary for any period, the subscription for the months for which no payment of salary are made shall be recovered with interest admissible under this Scheme in not more than three installments commencing from the salary for the month following the month in which duty is resumed after leave. If an employee dies while on extra-ordinary leave, the amount payable to the family of deceased Government servant shall be calculated up to the month for which the last subscription was made.

For example, if a Group 'D' employee proceeds on ten month extra-ordinary leave from 15th February to December and no salary is paid to him for any day from March to November, his subscription totaling Rs. 1000/- will be recovered together with the interest calculated at the simple interest of 8% per annum in not more than three installments commencing from the month he rejoins the service. However, if he dies while on extra-ordinary leave, his subscription during extra-ordinary leave need not be recovered but the amount payable to his family shall be calculated upto the month of February.

8.8 If an employee proceeds on deputation or on foreign service, the borrowing authority/foreign employee shall be requested to effect 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 term of deputation/foreign service. The recovery of this amount shall 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 this Scheme in not more than three installments.

Financing of the subscription from General Provident Fund

9.1 It will not be permissible to finance the Scheme from the General Provident Fund.

9.2 The subscription to the Scheme will form part of deduction allowable in respect of Life Insurance premium, contributions to Provident Fund etc., in computing the total income of the subscriber for the purposes of Income Tax.

Payment from Insurance Fund/Savings Fund

10.1 If an employee 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 Chief Controller of Accounts shall accord sanction for the payment of the member's accumulation in his Savings Fund after obtaining a simple application in form No. 3 through the concerned Head of Department/Head of Office.

10.2 If an employee dies while in service and his service book discloses that he was a member of the Scheme', the Head of Office shall address the nominees of the employee concerned in Form No.4 to submit an application in Form No. 5 and on receipt thereof, the Head of Office shall forward the application to the Chief Controller of Accounts for payment of the amount of Insurance and the accumulation in the Savings Fund.

10.3 When an employee leaves a family and there is no nomination in favour of a member or members of the family of the subscriber, 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.

Provided that no share shall be payable to:-

- (a) Sons who have attained 25 yrs of age;
- (b) Sons of the deceased son who have attained 25 yrs of age;
- (c) Married daughters whose husbands are alive;
- (d) Married daughter of a deceased son whose husbands are alive;

If there is any member or the family other than those specified in clauses (a), (b), (c) and (d), the benefit will be paid to them in equal share.

10.4 The amount payable to the nominees/heirs of a member of the Scheme who dies while in service, shall be:-

- (a) The amount of appropriate insurance to which he was entitled to at the time of his death; plus
- (b) The amount due to him out of Savings Fund for the entire period of his membership as per accumulations of his fund with simple interest @ 8% per annum.
- (c) If the amount calculated has decimal point, it will be rounded off to the next higher whole figure.

For example, if a Group 'D' employees, who is a member of the Scheme acquires a membership in Group 'C' and Group 'B' after 5 years and 15 years of service respectively and dies while in service after 30 years of total membership in all these Groups, his nominee or nominees shall be paid a sum of the following amounts:-

- (i) The insurance amount of Rs. 3,00,000/- (Rupees three lakh) due on a monthly subscription of Rs 300/- being a Group B employee on the date of his death.
- (ii) The amount due from Savings Fund on a monthly subscription of Rs. 30/- for first five years,
- (iii) The amount due from Savings Fund on a monthly subscription of Rs. 60/- for the next ten years.
- (iv) The amount due from Savings Fund on a monthly subscription of Rs. 90/- for the last 15 years and which can be calculated based on the balance available at the end of each month.

10.5 The amount payable to the employee who ceases to be in employment with the State Government on account of resignation, retirement etc. shall be the amount due to him out of the Savings fund for the entire period of his membership calculated from the actual balance available at the end of the months.

10.6 If any employee dies during a month before recovery of his subscription for that month, the amount payable to the family of the deceased employee shall be calculated up to the month for which the last subscription was made.

10.7 If any employee joins later on an All-India Service, the amount payable shall be calculated up to the month for which the last subscription was made. Payment may however be released on submission of application through Form 3.

Payment of Insurance amount and Savings Fund to the nominees/heirs when an employee is missing and/or untraceable.

10.8 The insurance cover and the accumulation in the Savings Fund may be paid to the nominees or heirs after a lapse of a period of one year following the month of disappearance subject to the fulfillment of the following conditions:

- a) The family must lodge a report with the concerned Police Station and obtain a report that the employee has not been traced after all efforts had been made by the Police.
- b) An indemnity Bond should be taken from the nominees/ dependents of the employee that all payments shall be adjusted against the payment due to the employee in case he/she appears on the scene and makes any claim.

10.9 The amount payable to the nominees/heirs in the case of disappearance of the employee shall be calculated up to the month for which the last subscription was made.

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 Insurance Fund to which he has been subscribing unless the subscriber is dead. 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 10.4 and paid to his nominee (s).

11.2 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 unless the subscriber ceases to be a member. 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 10.5 and paid to him or his nominee (s).

Loan/advance from or against accumulation in Insurance Fund/Savings Fund

12. No loan or advance 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.

Action on the Scheme coming into force

13.1 As soon as the Scheme comes into force, the Head of Department/Head of Office shall make an entry into the service book of an employee showing the detail of subscription of the old scheme i.e. date of enrollment, date of group change, if any, and the corresponding subscriptions as per Form No.1.

13.2 Every member of the Scheme shall be informed in Form No.1(A) the date of his enrolment, the subscription to be deducted and the benefit to which he would be eligible. On his regular promotion from one Group to another he will be similarly informed in Form No.2.

13.3 Enrolment into the scheme and to the higher Group due to regular promotion or change of pay scale should be recorded in Service Book under attestation of Head of Department.

Register of members

14. The Head of Office shall ensure that Group-wise register of members is maintained in Form No.8 and kept up to date. This register shall be verified and attested by the DDO concerned once in a year to ensure that the appropriate subscriptions are being recovered from all employees who have joined the Insurance Fund and the Savings Fund under the Scheme.

Nomination

15.1 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 have already made such nomination under MSGEGIS 1992, such nomination shall be considered as the nomination under the new scheme unless the Government Servants make fresh nomination.

15.2 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 this purpose, family will have the same meaning as defined in the General Provident Fund Rules.

15.3 If a member nominates more than one person under para 15.1, he should specify in the nomination the amount/share payable to each of the nominees in such a manner as to cover the whole amount payable under the Scheme failing which the amount payable under the Scheme shall be equally distributed among the nominees.

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

15.5 A 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.

15.6 The nomination received from the members shall be dated countersigned by the Head of Office and pasted in their Service Books. The Head of Office shall also make an entry in the Service Book that the nomination has been duly received.

15.7 Nominations or change in nomination made by Gazetted Officers shall be dated and countersigned by Head of Departments and sent to Chief Controller of Accounts for custody and record in their respective Service Card/Statement.

Accounting:

16. The transaction relating to the Scheme shall be accounted for in accordance with the procedure appended herewith.

Interpretation and clarification:

17. If any doubt arises in regard to the interpretation of any of the provisions of this Scheme while implementing the scheme or if any point requires clarification, the matter may be referred to the Finance Department (APF) whose decision shall be final.

Replacement of old scheme:

18. On the introduction of the Mizoram State Government Employees Group Insurance Scheme, 2014, the old scheme, i.e., the Mizoram State Government Employees Group Insurance Scheme, 1992 shall stand replaced.

Carrying over of Savings Fund under GIS 1992:

19. On implementation of the MSGEGIS 2014 w.e.f. 1.7.2014 the balance fund in the Savings Fund that is accumulated on 30.6.2014 in respect of the Government Servants who subscribe the MSGEGIS 1992 prior to 1.7.2014 shall be carried over to the MSGEGIS 2014 and shall be recorded and accounted as opening balance on 1.7.2014 and shall henceforth be governed by the MSGEGIS 2014.

Review of the Scheme:

20. The working of the Scheme will be reviewed from time to time to ensure that the Scheme remains self financing and self-supporting. The Government shall have the power to change the rate of subscription and ratio of apportionment keeping in mind the interest of the Government and the interest of the Government servants.

FORM NO. 1
GOVERNMENT OF MIZORAM

Department/Office _____

Date _____

MEMORANDUM
(See para 13.1)

Shri _____ a Group employee has been enrolled as a member of the State Government Employees Group Insurance Scheme, 1992 with effect from _____ as per the detail shown below :-

- 1) Subscription as Group D : from _____ to _____ @ Rs. _____
- 2) Subscription as Group C : from _____ to _____ @ Rs. _____
- 3) Subscription as Group B : from _____ to _____ @ Rs. _____
- 4) Subscription as Group A : from _____ to _____ @ Rs. _____

Head of Office
(with date)

FORM NO. 1 (A)
GOVERNMENT OF MIZORAM

Department/Office _____

Date _____

MEMORANDUM

Shri _____ a Group employee has been enrolled a member of the State Government Employees Group Insurance Scheme, 2014 with effect from _____ His monthly subscription of Rs. _____ (Rupees _____) shall be deducted from his salary/wage commencing from the month of _____ and he will be eligible to the benefits of the Scheme appropriate to Group _____ with effect from _____

Head of Office

To

Shri _____
(Name and designation of the employee).

FORM NO. 2
GOVERNMENT OF MIZORAM

Department/Office _____

Date _____

MEMORANDUM

Shri _____ has been promoted on a regular basis, from Group _____ to Group _____ with effect from _____ his monthly subscription for the State Government Employee Group Insurance Scheme, 2014 shall be raised from Rs. _____ to Rs. _____ 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

Shri _____
(Name and designation of the employee).

FORM NO. 3

(By subscriber on retirement)

To

The _____ *

Subject : Application for payment of accumulation under State Government Employees' Group Insurance Scheme, 2014.

Sir,

I have been a member of the State Government Employees Group Insurance Scheme, 2014 since _____ ** I have retired from service after attaining the age of _____ years/ I have ceased to be in employment with the Sate Government with effect from _____ I was holding the post of _____ before retirement/cessation of employment with the State Government. I request that the amount due to me under State Government Employees' Group Insurance Scheme may be paid to me.

Yours faithfully,

(_____)

* Designation and address of the Head of Office.

** Month and year of becoming a member of the Scheme may be indicated here

FORM NO. 4

GOVERNMENT OF MIZORAM

DEPARTMENT _____

OFFICE OF _____

NO _____ DATE _____

To

_____ *

Subject : Payment of the amount due under the State Government Employees' Group Insurance Scheme, 2014.

Dear Sir/Madam,

I am directed to state that the late Shri _____ has nominated you for payment of full/ _____ percent of amounts due under the State Government Employees' Group Insurance Scheme, 2014. 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

Date _____

To

The _____ *

Subject : Application for payment of amount due to late
Shri _____ under the State Government
Employees' Group Insurance Scheme, 2014.

Sir,

With reference to your letter No. _____ dated
_____ I hereby request that the full/ _____ percent of amount due to late
_____ under the State Government Employees Group Insurance
Scheme, 2014 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 State Government Employees' Group Insurance Scheme, 2014.

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

I, hereby nominate the person(s) mentioned below, who is/are member(s) of my family, and confer on him/her/them the right to receive to the extent specified below any amount that may be sanctioned by the State Government under the State Government Employees Group Insurance Scheme, 2014 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.

Sl. No.	Name & Address of nominees/nominee	Relation with Govt. Servant	Age	Share to be paid to each	Contingencies on the happening of which nomination shall become invalid	Name, address relationship of the person, if any to whom the right of the nominees shall pass in the event of his predeceasing the Govt. Servant
	1	2	3	4*	5	6
1						
2						
3						

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

Dated, this _____ day of _____ 20____ at _____

Signature of two witnesses :

1. _____

2. _____

Signature of Govt. Servant.

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

FORM NO 7.

Nomination for benefit under the State Government Employee Group Insurance Scheme, 2014.

When the Government servant 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 many amount that may be sanctioned by the State Government under the State Government Employees Group Insurance Scheme, 2014 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.

Sl. No.	Name & Address of nominees/nominee	Relation with Govt. Servant	Age	Share of amount to be paid to each	Contingencies on the happening of which nomination shall become invalid	Name, address relationship of the person, if any to whom the right of the nominees shall pass in the event of his predeceasing the Govt. Servant
	1	2	3	4*	5	6
1						
2						
3						

Dated, this _____ day of _____ 20____ at _____

Signature of two witnesses :

1. _____

2. _____

Signature of Govt. Servant.

N.B. The Government servant should draw a line across the blank space below his last entry to prevent the insertion of any name 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 servant who has no family makes a nomination, he shall specify in this column that the nominations shall become invalid in the event of his subsequently acquiring a family.

FORM NO 8
STATE GOVERNMENT EMPLOYEES GROUP INSURANCE SCHEME, 2014
REGISTER OF MEMBER GROUP

Section II particulars of employees subscribing to both Insurance Fund and 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 department	Date of cessation of membership & reason thereof	Remarks
1	2	3	4	5	6	7	8	9

Annexure-II

CALCULATION OF BENEFITS

The amount credited to the Savings Fund at the rate of interest 8 percent per annum shall be calculated as illustrated below :-

$$\text{SF accumulated} = \text{OB} + r.n. + I$$

where OB = Opening Balance at the commencement of MSGEGIS 2014 or fund accumulated at the end of June, 2014 as per MSGEGIS 1992 (to be taken from the table of benefit issued by Government of India/Government of Mizoram). For new members after July, 2014, OB will be zero.

$$\begin{aligned} r &= \text{rate of subscription of Savings Fund} \\ &\text{i.e. for Group A - ₹ 120} \\ &\quad \text{Group B - ₹ 90} \\ &\quad \text{Group C - ₹ 60} \\ &\quad \text{Group D - ₹ 30} \end{aligned}$$

$$\begin{aligned} I &= \text{Interest earned} \\ &= n \left[\text{OB} + \frac{r}{2} (1 + n) \right] \frac{R}{1200} \end{aligned}$$

where R = rate of interest i.e. 8 percent per annum.

n = no. of months for which subscription is made.

r = rate of subscription.

Illustration :-

A Group B employee retires after subscribing MSGEGIS 2014 as a group B continuously for 36 months. He has ₹ 20,000 in the Savings Fund as on 30.6.2014 in the scheme MSGEGIS 1992. The total Savings Fund payable will be :-

$$\begin{aligned} \text{SF} &= \text{OB} + r.n + \text{Interest} \\ &= \text{OB} + r.n + n \left[\text{OB} + \frac{r}{2} (1 + n) \right] \frac{R}{1200} \end{aligned}$$

$$\begin{aligned} \text{Here, } \text{OB} &= ₹ 20000 \\ r &= ₹ 90 \\ n &= 36 \\ R &= 8 \end{aligned}$$

$$\begin{aligned} \therefore \text{SF} &= 20000 + 90 \times 36 + 36 \left(20000 + \frac{90}{2} (1+36) \right) \frac{8}{1200} \\ &= 28439.6 \\ &= \text{Rs. 28440.00} \end{aligned}$$

APPENDIX

MIZORAM STATE GOVERNMENT EMPLOYEES GROUP INSURANCE SCHEME, 2014 ACCOUNTING PROCEDURE

The following procedure is prescribed for the accounting of the transactions under the Mizoram State Government Employees Group Insurance Scheme, 2014.

HEAD OF ACCOUNT

2. There will be no individual accounting under the Scheme. The transaction under the Scheme will be booked in the Public Account of the State under two distinct sub heads: 'Insurance Fund' and 'Savings Fund' under the new minor head 107-State Government Employees Group Insurance Scheme opened below the existing major head "8011 Insurance and Pension Funds", as shown below:-

1) Insurance Fund

- 8011 - Insurance & Pension Funds
- 00 -
- 107 - State Govt. Employee Group Insurance Scheme
- 01 - Insurance Fund
- 00
- 00

2) Savings Fund

- 8011 - Insurance and Pension Fund
- 00 -
- 107 - State Govt. Employee Group Insurance Scheme
- 02 - Savings Fund
- 00
- 00

DEDUCTION FROM PAY BILLS

3. In the portion of the pay bills pertaining to classification, the DDOs should exhibit the subscription recovered from the employees under the two sub-heads indicated above. Until further orders, the ratio between Insurance Fund and Savings Fund shall be 7:3. They should attach a duly completed schedule to the pay bills for January and December every year as per Annexure 'A' and 'E' respectively. The Accounts Officer of the State Government/Chief Controller of Accounts will paste the figures appearing in the schedules in a register in the form as per Annexure 'B' (Part I & II) for the preparation of the Annual Report.

PAYMENT OF DUES TO BENEFICIARIES.

4. Separate bills in a simple receipt form as in Annexure 'C' will be prepared in respect of payments arising under the Scheme for drawing the amount towards disbursement to the payees concerned. The DDOs will work out the payments with reference to para 10 of the State Government Employees Group Insurance Scheme, 2014 and the table of benefits from the Savings Fund issued by the Finance Department, Government of Mizoram in the Annex-II of the scheme. The bill will indicate separately the entitlements from (i) Insurance fund and (ii) Savings Fund. This amount will be classified under the respective sub-heads mentioned below:

8011 - Insurance and Pension Fund
00 -
107 - State Govt. Employees Group Insurance Scheme
01 - Insurance Fund
00
00

and/or

8011 - Insurance and Pension Fund
00 -
107 - State Govt. Employees Group Insurance Scheme
02 - Savings Fund
00
00

The bills will invariably be sent by the DDOs to the Chief Controller of Account along with the Service Books which contain service particulars, nominations etc. The Chief Controller of Accounts will pass the bills expeditiously (especially in respect of claims on account of death of a member, if there is no irregularities) after exercising the necessary checks and ensuring that the classifications is correct, record the authorisation against the two distinct sub-heads (debit side) and make a note of authorisation in the Service Book which will be attested by the Director of Accounts & Treasuries or any Officer who may be authorised to do so. Each case where authorisation has been made shall also be noted in the register as per Annexure B (Parts II&III payments) Director Accounts & Treasuries shall therefore forward the Authority to the DDO, who in turn will present the bill to the Treasury. The Treasury Officer finally passed the claim.

POWER OF JOINT DIRECTOR OF ACCOUNTS & TREASURIES (SOUTHERN ZONE) TO SETTLE GIS MATTERS.

5. Joint Director of Accounts & Treasuries (Southern Zone) shall have the power to settle all matters under MSGEGIS 2014 in respect of employees within his jurisdiction.

DUTIES OF DDO/HEAD OF THE OFFICE

1. Give wide publicity to the Group Insurance Scheme against all the Staff members and explain the social security accruing them. Send the Scheme to the Official on deputation/Foreign Service outside the State Administration.

2. Obtain nomination from the staff in Form No 6 or No 7 as the case may be and dated countersign it.

3. Obtain a statement indicating name, designation, Group (A,B,C, or D) and date of birth of all employees for register maintained in form No 8.18
4. Issue an enrollment certificate to each member (Form 1 (A) of the Scheme). Such new enrollment shall be incorporated in the register (Form No.8) on or before 10th of every month.

5. Paste a copy of detail of the subscription of old scheme as per Form No. 1 in the Service Book and a copy of enrolment as per Form No. 1 (A) in the Service Book in red ink. Attest the same over full signatures and affix your rubber stamp indicating designation etc.

6. Staff making the following deduction shall be classified correctly on the salary bill. The deduction can be shown in a distinct vertical column –

Classification:	Group D	Group C	Group B	Group A
Savings Fund	30	60	90	120
Insurance	70	140	210	280
Total	100	200	300	400

Start deducting the above from the salary of July 2014, payable in the last working day onwards, in respect of all the employees. The deduction shall be like Income Tax Deduction. Therefore, there is no need to prepare a schedule of deduction every month except for January and December.

7. Attach a complete schedule (Annexure 'A' of accounting procedure) with the Pay Bill for January and a complete schedule (Annexure 'E' of the Accounting Procedure) with Pay Bill for December each year.

8. Keep note of the amount to be deducted per month in the pay bill register (TR 22A) under the column compulsory deductions.

9. In respect of fresh recruit joining the service any time between 1st January and 31st December of each Calendar year after the scheme comes into force, make a compulsory deduction of subscription to Insurance Fund and Savings Fund appropriate to his grade as indicated in item No. 6 above, with effect from his/her first salary bill.

10. DO NOT ENROLL OR MAKE DEDUCTIONS FROM THE CASUAL LABOURERS, PART TIME AND ADHOC EMPLOYEES AND DEPUTATIONISTS FROM UT GOVERNMENT/OTHER STATE GOVERNMENT/ CENTRAL GOVERNMENT and persons appointed against leave/training vacancy.

11. On regular promotion from one Group to another, the rate of subscription may be changed as per para 5.2 of the scheme.

12. When an employees proceeds on Foreign Service, indicate the fact that he is a member of the Group Insurance Scheme and direct the foreign employer to remit monthly subscription at 100/200/300/400/etc. as the case may be along with his G.P Fund subscription, if applicable, to the Chief Controller of Accounts. Endorse a copy of this letter to your Accounts Officer.

13. At the time of calculating rebate on Income Tax consider the deductions under this Scheme at par with G.P.Fund contributions.

14. On death of a Subscriber:

(a) Address the nominee/heir by using Form No 4 to submit an application through Form No. 5 and prepare pre-receipted bill (Annexure C) for both Insurance cover and Savings Fund in duplicate.

(b) Prepare two distinct bills - one detailing the sub head 'Insurance Fund' and other detailing the 'Savings Fund' under the minor head 'State Government Employees Group Insurance Scheme.'

15. Send the bills as above duly supported by the Service book to the Chief Controller of Accounts, Accounts & Treasuries Department.

16. Please ensure that the bills prepared in Annexure C bears signature of recipient and D D.O.

17. On receipt of authority with its enclosure from Office of the Chief Controller of Accounts, get the Expenditure Sanction from the Head of Office/Department. Payments may be claimed from the Treasury for disbursement to nominees/heirs.

18. On subscriber quitting service either by resignation /retirement or otherwise

a) Get an application from the employees (Form No 3) and pre-receipted bill (Annexure-C).

b) Send the bills with original claim papers and Service Book to Chief Controller of Accounts, Accounts & Treasuries after ensuring that the date of cessation of service and reason thereof are properly recorded under attestation.

c) On receipt of Authority from the Chief Controller of Accounts, Accounts & Treasuries submit the claim to the Treasury supported by Expenditure Sanction issued by the Head of Offices for payment.

19. ANNUAL REPORT

Send an Annual Report to Director, Accounts & Treasuries in the Form Annexure 'D' & 'E'. This shall be based on consolidation of the register maintained by you in Annexure 'B'.

ANNEXURE – A

**SCHEDULE PERTAINING TO THE STATE GOVERNMENT EMPLOYEES GROUP
INSURANCE SCHEME**

Name of Office of DDO: _____

Attached to pay bill of January, 20_____

	GROUP				TOTAL
	A	B	C	D	
No of employees subscribing to Group Insurance Scheme in January at the composite rate					

ANNEXURE- B

PART I

**REGISTER RELATING TO STATE GOVERNMENT EMPLOYEES GROUP
INSURANCE SCHEME**

No. of subscribers as in January 20_____

Sl. No.	Name of DDO or foreign employer	Voucher pay bill No.	No. of employees from whom recoveries made through pay bill of January 19_____					Total
			Group A	Group B	Group C	Group D		
1	2	3	4	5	6	7	8	

PART II

Payments made during 20_____ in respect of subscribers on their demise while in service.

Month	Voucher No.	No of employees					Amount of payment indicating break up				Total
		Gr. A	Gr. B	Gr. C	Gr. D	Total	Gr. A	Gr. B	Gr. C	Gr. D	

PART III

Payments made to subscribers during 20_____ on their retirement, resignation, etc.

Month	Voucher No.	No of employees					Amount of payment				
		Gr. A	Gr. B	Gr. C	Gr. D	Total	Gr. A	Gr. B	Gr. C	Gr. D	Total
1	2	3	4	5	6	7	8	9	10	11	12

ANNEXURE – B

PART - IV

**REGISTER FOR CONSOLIDATION OF INFORMATION CONTAINED IN
SCHEDULES (ANNEXURE -B) RECEIVED FROM D.D.Os.**

Group to which subscriber belonged	Name of DDO	No of months for which subscribed during the Calendar Year											
		Months											
		1	2	3	4	5	6	7	8	9	10	11	12
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Group A	DDO												
	DDO												
	DDO												
TOTAL													
GROUP B	DDO												
	DDO												
	DDO												
TOTAL													
GROUP C	DDO												
	DDO												
	DDO												
TOTAL													
GROUP D	DDO												
	DDO												
	DDO												
TOTAL													

**ANNEXURE –C
RECEIPTED BILL**

Received the sum of Rs _____ (_____) the total of entitlement of Rs _____ from the Insurance Fund and /or of Rs _____) being Name _____ Designation _____ Group* A/B/C under the State Government Employees' Group Insurance Scheme, 2014.

Dated :

Signature (s) of Recipient (s)
(Name in block letters)

* Delete whichever is inapplicable

FOR USE IN DEPARTMENTAL OFFICE

(a) Relevant bio data of the member

1. Type of group of the member (i.e. lowest group) viz * D/C/B/A on initially joining the Scheme on _____ (Month) _____ (Year)
2. Month/Year of acquiring membership of higher group-
 - i. C _____ (Month) _____ (Year)
 - ii. B _____ (Month) _____ (Year)
 - iii. A _____ (Month) _____ (Year)

(b) Countersigned for payment of Rs. _____ (Rupees _____) to claimant (s).
Crossed cheque/ demand draft to be issued in favor of claimant (s).

Signature:
Date:
Designation of DDO.

FOR USE IN ACCOUNTS OFFICE

Passed for payment of Rs. _____
(Rupees _____) payment through Cheque (s) No. (s)

Date:

Accounts Officer

* Delete whichever is inapplicable.

ANNEXURE – D
ANNUAL STATEMENT FOR 20____ SHOWING THE NUMBER
OF PERSONS SUBSCRIBING TO THE GROUP INSURANCE SCHEME AND THE
NUMBER FOR WHOM PAYMENT WERE MADE

Name and address of the Accounts Officer:

Year of the receipt :

PART - I

No. of the employees subscribing to the Group Insurance Scheme at the composite rate

In January, 20____

In January, 20____

(Previous year)

(Current year)

Group A	Group B	Group C	Group D	Total (Cols 1 to 4)	Group A	Group B	Group C	Group D	Total (Cols 6 to 9)
1	2	3	4	5	6	7	8	9	10

PART - II

No. of cases in which payments were made during the previous year 20____ because of death.

Group A	Group B	Group C	Group D	Total (Cols 11 to 14)
11	12	13	14	15

PART – III

No. of cases in which payments were made during the previous year 20____ due to other cases

Group A	Group B	Group C	Group D	Total (Cols 16 to 20)
16	17	18	19	20

PART - IV

No. of employees subscribing to the Insurance Fund and Savings Fund during the Calendar year 20____

Group to which subscriber belonged	Month from which subscription starts							
	January	February	March	April	May	June	July	August
Group A								
Group B								
Group C								
Group D								
TOTAL								

ANNEXURE-E
SCHEDULE PERTAINING TO THE STATE GOVERNMENT EMPLOYEES GROUP
INSURANCE SCHEME

Attached to Pay Bill of December, 20____

Name of DDO : _____

Month from which subscription starts	No. of employees subscribing to the MSGEGIS 2014 during the calendar year 20____
January	
February	
March	
April	
May	
June	
July	
August	
September	
October	
November	
December	