

Central Government Employees Group Insurance Scheme, 1980

Notified — 01 November 1980

Came into force- 01 January 1982

- **Scope and Objective:** -

It provides a low cost and on a wholly contributory and self-financial basis, twin benefits of insurance cover help to the families in the event of unfortunate death while in service and a lumpsum payment to increase their resources on retirement, resignation, etc.

- **The scheme applies to:** -

- All Central Govt. servants including those in the Railways, DOP.
- Defense personnel except members of the armed and paramilitary forces who have already separate scheme.
- Work charged staff if they are regular central Govt. employees.
- Industrial Employees if they are regular Central Govt. employees.
- Central Govt. servants on deputation/Foreign service central to state Govt. autonomous bodies, PSU, UT, etc.
- **Canteen employees** covered under this scheme **w.e.f. 01-10-1991.**

- **The scheme does not apply to:** -

- Contract employees.
- Persons on deputation from state Govt./ UT/PSU/Autonomous bodies etc.
- Part time and ad hoc employees
- Persons recruited under Central Govt. after the attaining the age of 50 years.
- Casual Labour's.
- Re-employed Defense personnel if they have extended insurance cover.

- **Membership**

- The scheme is compulsory for all employees who entered service after **1st November 1980.**
- Employees will be enrolled as members of the scheme only from **1st January every year.**
- If an employee enters service on or after **2nd January** in any year, he will be enrolled as a member only from the **1st January of the next year.** However, from the actual



8000661414



/basicpay



@basicpay



/basicpay

date of entry into service till the end of the year, he will be entitled to an insurance cover by paying monthly subscription as premium for the insurance.

- **Discontinued of the CGEIS, 1977 from 01.01.1982**
- **The scheme has two funds**
 - (i) **Insurance Fund-** In case of death, paid to the nominee/Legal heir of the Govt. Servant.
 - (ii) **Saving Fund-** Saving Fund amount with interest on retirement, resignation, quit service etc. shall be paid to Govt. Servant and in case of the death of the Govt. Servant shall be paid to the nominee or legal heirs, as the case may be, with insurance fund amount.
- **Subscription ratio toward both Funds: -**
 - (i) **W.e.f. 01-01-1982 to 31-12-1987.** Insurance Fund 31.25% and Saving Fund 68.75%.
 - (ii) **W.e.f. 01-01-1988 to onwards.** Insurance Fund 30% and Saving Fund 70%.

- **Rate of monthly subscription and amount of Insurance cover-**

Group to which the employee belongs	Monthly rate of subscription		Amount of Insurance cover
	Before enrolment as a member (at reduced rate)	After enrolment as a member (At the full rate)	
Up to Dec. 1989			
Group 'A'	24	80	80000
Group 'B'	12	40	40000
Group 'C'	6	20	20000
Group 'D'	3	10	10000
From Jan. 1990			
Group 'A'	40	120	120000
Group 'B'	20	60	60000
Group 'C'	10	30	30000
Group 'D'	5	15	15000
Group D post PB-1 with Grade pay 1800 classified as Group C @ 30/- per month from 1st January 2011.			

- **Recovery of subscription**
 - The initial subscription for a month falls due on the date of joining of a person in Central Govt. service.
 - Subsequent subscription falls due on the 1st day of every month.

- The subscription shall be recovered by deduction from the salary/wage of the employee for that month.
- **For example,** subscription for the **month Jan-2025** will be recovered from the salary /wage for **Jan-2025 payable** on the last working day of that month.
- **If employee is on deputation or on foreign service,** the borrowing authority/ foreign employer shall be arranged deposit of subscription to the relevant Head of Account.
- **In case of foreign service out of India.** The employee shall be arranged to send amount to parent department. The accounts officer of the parent department is responsible for accounting, payment, etc.
- The subscription will be recovered till **end of the service** including the month which the employee retires, dies, resigns or is removed from service, etc.
- The subscription will also be recovered being **on duty, leave or under suspension.**
- **If the employee dies during a month before the recovery of subscription** for that month from him, same will be recovered from the amounts /benefits payable to his family/ nominee (s).
- **If employee on extraordinary leave for any period**, the arrears of subscriptions will be recovered with interest admissible under the scheme on the accretions to the saving Fund, from his salary in not more than **three installments** from the following month in which he resumes duty after such leave.
- **If employee dies while on extraordinary leave,** the arrear of subscriptions due from him will be recovered with interest from the benefits payable to his family under the scheme.
- **No interest shall be levied on arrears of subscriptions**, if the non-recovery is due to delayed payment of salary/wage.
- **If an employee disappeared,** the full subscription at the rate of applicable on the date of disappearance of the employee is payable for **one year following** the month of disappearance. Thereafter premium for insurance cover at the rate of **Rs. 5 for 15000** will be payable for the next **six years** or till the month which insurance cover is paid, whichever is later.
- The amount of subscription for **one year and insurance premium for six years** may be recovered with interest from the amount payable on account of Saving Fund and Insurance Fund respectively.



8000661414



/basicpay



@basicpay



/basicpay

- **Promotion during the year**

- On the regular promotion of an employee from one Group to another Group after the 1st January in any year, his subscription will be raised only from the 1st January of the next year.
- For example, a Group C employee is promoted to Group B on 01-08-2024, His subscription and insurance cover will continue to be Rs. 30/- and Rs. 30000/- respectively till the end of December 2024. From January 2025, his subscription and insurance cover will be raised to Rs. 60/- and Rs. 60000/- respectively.
- Once an employee is promoted (on regular basis) to the higher Group, his subscription and insurance cover will continue to be at same rate, even if he subsequently reverted to the lower Group.

- **Benefits Payable**

- If an employee ceased to be in service due to retirement, resignation, etc. he will be entitled to the payment of the lumpsum amount of accumulation in the saving fund alone as per the table for relevant year.
- If an employee dies in service, his family/nominee (s) will be entitled to the payment of the lumpsum amount in saving fund and in addition, the amount of appropriate insurance cover to which he was entitled at the time of death.
- If an employee dies while in service before becoming a member of the scheme, his family/nominee(s) will be entitled to the payment of appropriate insurance cover only and no benefit will be payable from the saving Fund.
- **Financing form GPF/CPF: -** This is not permissible except in a case where the financial position of an employee does not permit him to contribute both the GPF/CPF and Group Insurance scheme, when he may be permitted a non-refundable withdrawal from GPF/CPF account, of an amount equivalent to a year's subscription paid towards the Scheme.
- **Income tax rebate:** - Income tax rebate is admissible under the section 80-C for the amount of subscription paid under the scheme.
- **Head of Account-** Major Head- **811- Insurance and Pension Funds.**
- **No withdrawals/loans/advances permissible from the funds of the scheme:**
 - No member or other beneficiary of the scheme is allowed to withdraw any amount from the insurance fund and saving Fund of the scheme.



8000661414



/basicpay



@basicpay



/basicpay

- **No loans or advances are also permissible** against the accumulations in the Insurance Fund/Saving Fund.
- **Assignment of Insurance Fund and Saving Fund: -**
 - Employees may assign their insurance cover/ accumulations in the Saving Fund in favors of recognized Financial Institutions as security for obtaining loans for construction/purchase of house/flats. (**Request on Form No.11**)
 - The permission will be got from the Head of Department and pasted in service book of employee. (**Permission by HOD on Form No.12**)
- **Recovery of Govt. dues is not permissible from CGEGIS 1980's Benefits: -**
 No recovery from the amount payable under the scheme can be made excepting the dues under the scheme. or as specially authorized by the employee as in the case of payment of outstanding dues to a financial Institution on the special authorization of the employee.
- **Nominations: -**
 - If **an employee has a family at the time of making nomination**, he shall make such nomination only in favor of a member or members of his family.
 - A member can, at any time, cancel the previous nomination by giving notice and exercising a fresh nomination.
 - Nomination received from the member will be countersigned by the **Head of Office** and pasted in the Service book and made necessary entry in service book.
- **Family**
 - **Male Subscriber**- wife or wives, parents, children, minor brothers, unmarried sisters, deceased son's widow and children and where no parent of the subscriber is alive, a paternal grandparent.
 - **Female subscriber**- the husband, parents, children, minor brothers, unmarried sisters, deceased son's widow and children and where no parent of the subscriber is alive, a paternal grandparent.
 - When an employee dies without leaving a valid nomination under the scheme, the amount due and payable under the scheme may be paid in accordance with the nomination, if any, made by the deceased employee **under the GPF/CPF**.
 - If **no nomination** even for CPF/GPF, the head of office may make payment on **production of succession certificate to eligible member in equal shares**
- **Payment to the nominees/heirs when an employee is missing and untraceable:**



8000661414



/basicpay



@basicpay



/basicpay

Saving Fund

- The accumulation in the saving fund may be paid to the nominee or heirs after a period of **one year following the month** of disappearance of the employee.
- The family shall be lodged complaint with the police station and obtained a report that the employee has not been traced after all efforts had been made.
- An indemnity Bond is taken from nominee/legal heirs for adjustment of amount.

Insurance Fund

- The Insurance cover may be paid to the nominee or heirs of the missing employee after a period of **seven year following the month** of disappearance of the employee.
- The claimant has to produce Death certificate or a Decree of the court that employee **concerned should be presumed to be dead**.
- The Insurance amount may be paid to the nominee/ heirs of the missing employees even if **the date of his superannuation falls before the expiry of the** period of **seven years following the month of disappearance**.

- **Debarring an eligible person from receiving insurance amounts-**

- If a person, who is eligible to receive the insurance amounts in the event of death of an employee, is charged with the offence of murdering the employee, the insurance amount shall not be paid to him/her till the conclusion of the criminal proceedings instituted against such a person. No interest will, however, be payable on the account of delay in payment.

- **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.

Forms

Form	Particulars
Form 7	When the Government servant has a family and wishes to nominate one member or more than one member thereof.
Form 8	When the Government servant has no family and wishes to nominate one person or more than one person.
Form 9	Register of member groupwise kept by the head of the office.
Form 11	Request for assignment of fund in favor of any recognized financial institutions.
Form 12	Permission of assignment of fund in favor of any recognized financial institutions.
Form 13	Individual record of membership, which is included in the service book



8000661414



/basicpay



@basicpay



/basicpay