

## 29. VILLAGE PANCHAYAT ESTABLISHMENT

### 29.4 Group Insurance Scheme for employees of Local Bodies

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Rural Development Department

G.O. (2D) No. 122

Dated 21.5.1999

Read :

1. G.O. (Ms) No. 326, Finance (Pension) Department, dated 23.6.97.
2. G.O. (Ms) No. 747, Finance (Pension) Department, dated 31.12.98.

#### ORDER

In the G.O. first read above, the Group Insurance Scheme for employees of Local Bodies was extended with effect from 1.7.97 to the Panchayat Assistants / Part time Panchayat Clerks and other Part time Panchayat employees like Sanitary workers, Over head tank / Power pump operators drawing consolidated pay / honorarium. The full time employees of the Panchayat Union were covered by this Scheme earlier.

2. In the Government Order second read above, the management contribution payable by the Local bodies in respect of Group Insurance Scheme for the employees of Local bodies (excluding Nutritious Meal employees) was increased from Rs.240/- to Rs.530/- per annum per employee with effect from 1.7.96, Rs.780/- per annum per employee with effect from 1.1.97 and Rs.660/- per annum per employee with effect from 1.9.97, consequent on the enhancement of the lumpsum amount from Rs.60,000/- to Rs.1,00,000/-. The Local Bodies were also instructed to remit the Local bodies share of contribution of Rs.55/- per mensem per employee into the concerned Treasury / Sub-Treasury under Government account every month along with employee contribution of Rs.20/- per mensem per employee with effect from 1.1.99. As regards the recovery of arrears of local body contribution for the period from 1.7.96 to 31.12.98 it was indicated that separate orders will issue.

3. The Government now directed that the arrears of Local Body contribution payable by the Panchayat Union and Village Panchayats for the period from 1.7.96 to 31.12.98 shall be deducted from the Finance Commission grant / Devolution grant payable to the Village Panchayats and Panchayat Unions and remitted to the Government under relevant head of account by the District Collectors concerned. The Director of Rural Development / District Collectors shall also watch and ensure remittance of both employees contribution and management contribution by the local bodies every month without default.

(By order of the Governor)

**RAMESH CHANDRA PANDA**  
SECRETARY TO GOVERNMENT