

## GF & AR Part-I

### III – INSURANCE OF GOVERNMENT PROPERTY

**Rule 326:** Subject to the general principles stated in the forth coming paragraphs of this rule no property under the control of the Government, Corporations, Statutory Bodies, Cooperative Institutions etc. or of any of the offices of the Government of Rajasthan shall be insured with the General Insurance Corporation of India or with any Insurance Company or Society without the prior concurrence of the Finance(GF&AR)Department.

General Insurance Fund which shall be administered by the Director of Insurance & P.F. Department (GIS) Rajasthan, Jaipur and shall be governed by the following general principles, will act as insurer for all the Government Department, Statutory Bodies, State Corporation, State Undertakings, Cooperative organisations in which the State Government has a substantial financial interest by way of share-holders, loans guarantee etc.:-

State Government shall be deemed to have substantial financial interest in an Industrial or commercial undertakings if:-

- a) Direct financial interest of the State Government (Whether as shareholder, Lender or guarantor) is not less than 26%.
- b) Financial interest of the State Government and State Financial Institutions (whether as share-holder Lender or guarantor) is not less than 51%.
- c) Financial interest of the State Government direct in the undertaking (whether as shareholder, Lender or Guarantor) is Rs. 1.00 Crore or over.

All the industrial units falling under the above categories may get their property insurance cover from the General Insurance Fund of the State Insurance & P.F. department (G.I.S.) Rajasthan, Jaipur and shall be governed by the following general principles:-

- a) Industrial and commercial undertakings run by the Government of Rajasthan including all State trading Schemes and all statutory bodies, corporation, cooperative institutions shall provide for adequate insurance of the properties under their control, in accordance with the practice prevailing in this regard in Government, commercial and Industrial undertakings.
  - b) Policies of insurance in respect of such property as is not covered by (a) above but where there is a current practice of Insurance or where special risks are involved, which are valid up to the date following on or after the date of issue of these order shall not be renewed after expiry of the date of their validity. These Institutions may get insurance cover from the Government Insurance Fund of the State Insurance & P.F. Department (G.I.S.), Rajasthan, Jaipur.
  - c) In cases where the intending department of the State Government or the Central Stores Purchase Organisation require according to the existing practice or regulations that the goods purchases by them should be insured during transit by rail, road, sea, or air the same may get requisite insurance cover from the General Insurance Fund of the State Insurance & P.F. Department (G.I.S.) Rajasthan, Jaipur.
  - d) In respect of properties of statutory corporations, or boards established and financed wholly or mainly by the Government of Rajasthan, the Administrative Secretary incharge of such corporations or boards and the Bureau of Public Enterprises may get Insurance cover of the requisite properties, where deemed necessary, from the General Insurance Fund of the State Insurance & P.F. Department (G.I.S.), Rajasthan, Jaipur.
- (3) **Insurance of Vehicles** : Motor Vehicles owned by the Government, are exempt from compulsory insurance against third party risk under Motor Vehicles Act.
  - (4) **Payment of Insurance Premium within prescribed period** : The amount of

premium shall invariably be paid for the policies issued to the Government within 30 days of the date of intimation or within such further period as may be fixed in any particular case. In case the premium is not paid within the specified time limit, the risk will not be covered.