

FREQUENTLY ASKED QUESTIONS: ARMY GROUP INSURANCE FUND

Q-1. My husband retired from Army on 31 March, 1980. He died on 25 August, 2010. What should I do to get the Extended Insurance benefit?

Ans. Your husband retired from the Army on 31 March 1980, while the Extended Insurance scheme came into force with effect from 01 April, 1981. Hence, you are not entitled to the Extended Insurance benefit.

Q-2. My husband was serving in Territorial Army and retired from service on 31 October 1995. He died on 20 September 2010. Am I eligible for the Extended Insurance benefit?

Ans. As per the policy, Territorial Army personnel are not entitled for Extended Insurance scheme as no premium has been recovered from their maturity benefit at the time of retirement.

Q-3. I am ex Hav Y, my Extended Insurance matured on 31 March, 2010. Can I claim the insured amount?

Ans. The Extended Insurance Certificate issued to you was valid up to 31 March, 2010. As per the policy in vogue, there is no survival benefit under this scheme as the sum recovered from your maturity benefit amount is one time non refundable. The benefit accrues to the NOK, if the insurer dies, within the validity period.

Q-4. At the time of retirement my late husband had put his married sisters' names, as nominee and contingent nominee. I am his legally wedded wife and getting family pension. Am I eligible to claim Extended Insurance benefits?

Ans. Yes, you are fully eligible to claim the Extended Insurance benefit as the legally wedded wife and Class-I heir.

Q-5. I did not opt for the Extended Insurance Scheme. Then why has the Extended Insurance Scheme premium been deducted from my AGIF maturity?

Ans. The Extended Insurance Scheme is a Group Insurance Scheme, and is hence compulsory for all members. A single non refundable/refundable premium, at a rate fixed by the Board of Governors, from time to time, is retained from the maturity benefit amount payable at the time of retirement/release/discharge for the Extended Insurance Cover.

Q-6. The Extended Insurance certificate issued to me, that the survival benefit is NIL and the one time premium is non refundable whereas according to the Extended Insurance certificate of another individual the one time premium of the Extended Insurance certificate is refundable. Please clarify.

Ans. The scheme has been revised by the Board of Governors. Now the one time premium, will only be refunded, (without interest), to those who retired on 31 July, 2010 and after.

Q-7. I am an ex Hav, re-employed in Defence Services Corps. I read in the news paper that a lump sum amount on account of Extended Insurance premium is being refunded by Army Group Insurance Fund. What documents should I submit, to Army Group Insurance Fund, to get the refund?

Ans. The advertisement in the news papers is regarding the refund from the Medical Benefit Scheme, which has been discontinued following the introduction of the Extended Contributory Health Scheme (ECHS) from 01 April 2003. You are hereby advised to forward the original MBS Card along with your bank details to get the refund. The Extended Insurance is not being refunded, as there is no change in the policy on the subject.

Q-8. Can a duplicate Extended Insurance Certificate be issued against the original Extended Insurance Certificate, that is destroyed, misplaced or lost?

Ans. Yes, it can be issued on submission of an affidavit from the district court on a non Judicial paper of Rs 10/- stating the above facts. The affidavit format can be obtained from Army Group Insurance Fund.

Q-9. Can a time subscription be claimed from Extended Insurance on expiry on its term?

Ans. The assured amount under the scheme is paid only in the event of the death of the insured person, during the validity period of the Extended Insurance, to the NOK, with effect from 31 July, 2010. The one time Extended Insurance premium deducted at the time of retirement is refundable as survival benefit. However, there is no survival benefit for those who retired before 31 July, 2010.

Q-10. I, Col X, retired on 30 September, 2012. A maturity amount of Rs 6,29,401/- was paid to me, after deduction of Rs 51,200/-. On what account has this money been deducted?

Ans. Rs 51,200/- was deducted from your maturity benefit as a onetime refundable subscription for providing you Extended Army Group Insurance cover. Post retirement, under this scheme you are insured for Rs. 6 lakh for 26 years after retirement, or till the age of 75, whichever is earlier. It is a term insurance scheme. In case, you out live the validity period of the Extended Insurance, this amount of Rs 51,200/- will be refunded to you without interest. An Extended Insurance Certificate specifying the details of scheme has accordingly been issued to you.

Q-11. Can the Medical Benefit Scheme subscription be refunded to family members of the late ex-servicemen?

Ans. Yes, the Medical Benefit Scheme (MBS) subscription can be refunded to the legal heir of the ex-serviceman, if he was a member of the Medical Benefit Scheme. For your information, only those individuals who retired before 01 April 2003, were members of the Medical Benefit Scheme.

Q-12. My divorce case is underway in court. Who should I have as my first nominee?

Ans. Your wife will continue to be the nominee till such time that your divorce is final.

Q-13. I have completed 13 years of service. Can I withdraw 50% of the maturity amount?

Ans. No, only an individual who has completed a minimum of 15 years of service can withdraw 50% of the maturity amount.

Q-14. I, Sub 'Y', have taken a home loan from AGIF. Can I withdraw 50% of the maturity amount?

Ans. Yes, a final withdrawal of 50% of the maturity amount can be made for the education / marriage of wards, even if one is loanee of AGIF.

Q-15. Can my maturity benefit be credited to my bank account through NEFT?

Ans. Yes, the maturity amount can be credited direct to your joint account through NEFT, if you send a cancelled cheque along with the Combined Appendix G (Revised).

Q-16. I am / was a loanee of HDFC bank and will be 'struck off strength' from army in October 2014. What do I need to do before submitting of my maturity claim?

Ans. You are required to get a clearance certificate from the HDFC bank on their letter head, duly affixed with their round stamp, stating that there are no dues against you.

Q-18. Are banks authorised to deduct their commission on maturity benefit cheques?

Ans. Banks are not supposed to deduct bank commission, on a maturity amount cheque, as per RBI Mumbai DO letter No DBOD, Dir, 1738/C/702-87 date 02 September 1987.