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KARNATAKA EMPLOYERS' ASSOCIATION

NO.74, 2nd FLOOR, SHANKARA ARCADE, VANIVILAS ROAD, BASAVANAGUDI
BENGALURU - 560 004
Reg. No. TU 507 / 20-3-1962

Date : 10-03-2018

CIRCULAR No.18/2018

To
All Members of the Association

ASSURANCE BENEFIT UNDER EDLI SCHEME ENHANCED TO RS. 2,50,000/-

1. The Government of India in exercise of the powers conferred by section 6C read with sub-section (1) of section 7 of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (19 of 1952), has amended the Employees' Deposit Linked Insurance Scheme, 1976, and enhanced the Assurance benefit available under the Scheme. A copy of the Gazette of India dated 15.02.2018 is enclosed.
2. Paragraph-22 of the EDLI Scheme, contains the provisions relating to scale of Assurance benefit and the minimum average balance to be maintained by an employee.
3. By notification dated 15.02.2018, the Assurance Benefit has been enhanced and the amended clause of paragraph-22 reads as under:

" 22: Scales of assurance benefit and the minimum average balance to be maintained by an employee:

- (1) On the death of an employee, who is a member of the Fund or of a provident fund exempted under section 17 of the Act, as the case may be, the persons entitled to receive the provident fund accumulations of the deceased shall, in addition to such accumulations be paid an amount, equal to the average balance in the account of the deceased in the Fund or of a provident fund exempted under section 17 of the Act, as the case may be, during preceding twelve months or during the period of his membership, whichever is less, except where the average balance exceeds rupees fifty thousand, the amount payable shall be rupees fifty thousand plus 40 percent of the amount in excess of rupees fifty thousand subject to a ceiling of rupees one lakh.

Explanation 1: For the purpose of determining the average balance in the Fund or in the provident fund exempted under section 17 of the Act, as the case may be, in relation to any employee, the sum total of contributions by the employee and the employer, due for and

up to the relevant period, whether paid or unpaid in the Fund or in the provident fund exempted under section 17 of the Act, as the case may be, together with interest thereon, shall be included.

Explanation 2: The period of twelve months for calculation of benefits under this Scheme shall be computed backwards from the month preceding the month in which death of the member occurs.

- (2) In the case of a part-time employee who was a member of Fund [or of a Provident Fund exempted under Section 17 of the Act, as the case may be,] while serving in more than one factory or establishment the quantum of benefit under this Scheme shall be determined with reference to the average of the aggregate balance in all his accounts in the Fund [or of a Provident Fund exempted under section 17 of the Act, as the case may be,] during the preceding twelve months.
- (3) On the death of an employee, who is a member of the Fund or of a provident fund exempted under section 17 of the Act, as the case may be, who was in the employment of the same establishment for a continuous period of twelve months, preceding the month in which he died, the persons entitled to receive the provident fund accumulations of the deceased shall, in addition to such accumulations be paid an amount, equal to -
- (i) **the average monthly wages drawn (subject to a maximum of fifteen thousand rupees), during the Twelvemonths preceding the month in which he died, multiplied by thirty times plus fifty per cent of the average balance in the account of the deceased in the Fund or of a provident fund exempted under section 17 of the Act or under paragraph 27 or 27A of the Employees' Provident Funds Scheme, 1952, as the case may be, during the preceding twelve months or during the period of his membership, whichever is less subject to a ceiling of one lakh and fifty thousand rupees:**

Provided that the assurance benefit shall not be less than two lakh and fifty thousand rupees:

Provided further that the assurance benefit shall not exceed six lakh rupees:

The first proviso of clause (i) of sub-paragraph (3) of paragraph 22 shall be in force for a period of two years from the date of publication of this Scheme in the Official Gazette.

- (ii) The amount of benefit under sub-paragraph (i) whichever is higher.

Explanation.- In the case of a part-time employee who is a member of the Fund or of a provident fund exempted under Section 17 of the Act, as the case may be, who was serving in more than one factory or establishment for a continuous period of twelve months, preceding the month in which he died, the quantum of benefit under this Scheme shall be determined with

reference to the average wages of the aggregate of all the wages wherever he was continuously working for more than twelve months, subject to the wage ceiling of rupees Fifteen thousand.

- (4) The benefit under this Scheme shall be further increased by twenty percent in addition to the benefits admissible under sub-paragraph (1), (2) or (3) of paragraph 22, as the case may be".
4. The amendments inserted by Gazette Notification dated 15.02.2018 to paragraphs 22 of EDLI Scheme are shown in bold letters.

for KARNATAKA EMPLOYERS' ASSOCIATION

**sd/-
(B.C. PRABHAKAR)
PRESIDENT**



भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग II—खण्ड 3—उप-खण्ड (i)

PART II—Section 3—Sub-section (i)

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

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नई दिल्ली, बृहस्पतिवार, फरवरी 15, 2018/माघ 26, 1939

No. 86]

NEW DELHI, THURSDAY, FEBRUARY 15, 2018/MAGHA 26, 1939

MINISTRY OF LABOUR AND EMPLOYMENT

NOTIFICATION

New Delhi, the 15th February, 2018

G.S.R. 170(E).—In exercise of the powers conferred by section 6C read with sub-section (1) of section 7 of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (19 of 1952), the Central Government hereby makes the following scheme, further to amend the Employees' Deposit Linked Insurance Scheme, 1976, namely:-

- (1) This Scheme may be called the Employees' Deposit Linked Insurance (Amendment) Scheme, 2018.
(2) It shall come into force from the date of its publication in the official gazette.
- In the Employees' Deposit Linked Insurance Scheme, 1976, in paragraph 22, -
 - in sub-paragraph (3), for clause (i), the following shall be substituted, namely:-

“(i) the average monthly wages drawn (subject to a maximum of fifteen thousand rupees), during the twelve months preceding the month in which he died, multiplied by thirty times plus fifty per cent. of the average balance in the account of the deceased in the Fund or of a provident fund exempted under section 17 of the Act or under paragraph 27 or 27A of the Employees' Provident Funds Scheme, 1952, as the case may be, during the preceding twelve months or during the period of his membership, whichever is less subject to a ceiling of one lakh and fifty thousand rupees:

Provided that the assurance benefit shall not be less than two lakh and fifty thousand rupees:

Provided further that the assurance benefit shall not exceed six lakh rupees:

- The provisions of the first proviso of clause (i) of sub-paragraph (3) of paragraph 22 shall be in force for a period of two years from the date of publication of this Scheme in the Official Gazette.”

[F. No. S-35012/8/2017-SS-II]

R. K. GUPTA, Jt. Secy.

Note: The Employees' Deposit Linked Insurance Scheme, 1976 was published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), *vide* number G.S.R. 488(E), dated the 28th July, 1976 and was last amended *vide* number G.S.R. 438(E), dated the 4th May, 2017.

