

**MetLife<sup>®</sup>**

# AP Eastern Power Distribution Company Ltd.

**MetLife**<sup>™</sup>  
*peace of mind. guaranteed.*

## Visakhapatnam



## **Group Life in lieu of EDLI**

- All employers to whom the Employee's Provident Fund and Miscellaneous Provision Act , 1952 applies, have a Statutory liability to subscribe to Employee's Deposit Linked Insurance Scheme, 1976 to provide for the benefit of Life insurance to all their employees.
- The insurance benefit is equal to the average balance to the credit of the deceased employee in the Provident Fund during the last 12 months, subject to a maximum of Rs.60, 000.

# **Group Life in lieu of EDLI Product Concept**

## **Employee's Provident Fund and Miscellaneous Provision Act , 1952**

### **APPLIES TO**

Establishments employing 20 or more persons OR Co-operative Societies, employing 50 or more persons

### **EMPLOYERS' FINANCIAL OBLIGATIONS FOR EDLI COVERAGE**

Contribution @ of 0.5% of the basic

Administrative Charges @ 0.01% the total emoluments

# Group Life in lieu of EDLI Product Concept

## Insurance Coverage from EPFO

### Equals to

The average balance to the credit of the deceased employee in the Provident Fund during the last 12 months subject to following:

1. Average PF BALANCE up to Rs.35,000 = Actual APFB
2. Average PF BALANCE > Rs.35,000 =  
Rs.35000 + 25% of (APFB-35,000), subject to max  
coverage of Rs.60,000.

# **Group Life in lieu of EDLI Product Concept**

## **Insurance Coverage from EPFO – DISADVANTAGES**

- **The coverage is low if the salary and/or length of service is less.**
- **The Maximum overall coverage is capped at Rs.60,000**

This results in the benefit to the employee's family being inadequate.

# Group Life in lieu of EDLI Product Concept

## Route to Better Alternative

As per section 17(2 A) of Employee's Provident Fund and Miscellaneous Provision Act , 1952:

An establishment can get exemption from the EDLI Scheme, if the employees therein are entitled for a benefit in the nature of insurance whether linked to their P.F. deposit or not and without

# Advantages of MetLife EDLI over PF

Description	PF	MetLife
Type of Cover	Life Cover , ie amount payable to the legal heirs of the deceased employee	Life Cover , ie amount payable to the heirs of the deceased employee
How Cover is given	The cover is based on the notional balance of PF deposit available. Therefore, it will be a graded cover based on the notional PF balance	Either based on Notional PF balance or an Uniform cover for all the employees, irrespective of the notional PF balance
Amount of cover	Minimum of Rs 3,000 and a maximum of Rs 60,000	Minimum of Rs 10,000 and a maximum of Rs 250,000
Additional Riders	Not available	Additional cover can be given for Accident Death cover
Documentation related to PF	To be handled by client	Will be handled by MetLife for cases above 1 Lac FYP, and will provide consultation for cases below 1 Lac FYP
Service Level Agreement	N/A	A separate service level agreement will be given to customers, indicating the various services

# MetLife EDLI – Edge

## Gains of MetLife EDLI Product:

- **Premium saving** : An opportunity for the client to cover members for higher sum assured, upto Rs. 2.50 lacs, at the same premium amount payable to EDLI department; or pay lesser premium amount for same coverage amount as under EDLI scheme;
- **24/7 Customer Service** : MetLife has adopted State of art technologies, supported by a qualified service team, for round the clock help and support Company;
- **Claims Servicing** : Faster claims turn around time in comparison to RPFC procedures for claim settlement
- **Cover for everyone** : Coverage extended to all members who are members of PF scheme - by default;
- **Help in RPFC filing**: MetLife will provide you guidance on the procedures regarding filing of RPFC (details attached)

# Extent of Cover

- Basic – EDLI Cover
- Covers death\*
  - Due to Illness
  - Accident
  - Any other cause
  - 24 Hour coverage
  - Anywhere in India and most locations in world

\* Member should be an employee of the insured company at the time of death

# Exemption to be obtained from RPFC for EDLI

1. APEPDCL needs to make an application to the Regional Provident Fund Commissioner (in prescribed format) for opting out of EDLI scheme and owning an Insurance Scheme from MetLife;
2. The application should be made to Regional Provident Fund Commissioner in prescribed form 15 days prior to actual shifting to the Insurance Policy;
3. Post shifting to Insurance Policy Microsoft needs to submit monthly returns to EDLI department of PF vide Form 7 (IF) accompanied with Challan showing proof of payment of Inspection Charges made to PF (0.005 % of Basic to Account No. 22 of PF);
4. Annual Returns needs to be submitted to PF office vide Proforma I and II to RPFC.
5. The Regional Provident Fund Commissioner issues a relaxation order after scrutinizing the exemption request made and forwards the file to the Central Provident Fund Commissioner to issue the Exemption Order.

**MetLife supports you with necessary forms and submission of application to the PF**

# Thank you

have you met life today