

**GOVERNMENT OF INDIA
LABOUR AND EMPLOYMENT
LOK SABHA**

UNSTARRED QUESTION NO:97

ANSWERED ON:26.02.2007

RATE OF INTEREST OF EPF

Acharia Shri Basudeb;Adhalrao Patil Shri Shivaji;Adsul Shri Anandrao Vithoba;Khan Shri Mohammad Tahir;Mehta Shri Bhubneshwar Prasad;Owaisi Shri Asaduddin;Paraste Shri Dalpat Singh;Patle Shri Shishupal Natthu;Sujatha Smt. C.S.;Verma Shri Ravi Prakash

Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:

- (a) whether the Government is considering/has considered the proposal to reduce or increase the rate of interest on EPF;
- (b) if so, the details thereof alongwith the assessment made therefor indicating the views expressed by Trade Unions thereon;
- (c) the time by which a final decision is likely to be taken thereon;
- (d) whether the Central Board of Trustees of the Employees Provident Fund Organisation has decided not to invest 5% of the four core subscribers money in the stock market; and
- (e) if so, the details thereof and the final decision taken thereon?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF LABOUR AND EMPLOYMENT (SHRI OSCAR FERNANDES)

(a) to (c): The rate of interest is decided by the Government in consultation with the Central Board of Trustees, Employees` Provident Fund. Government have not received so far any proposal from the Board on the rate of interest for the year 2006-07.

The Employees` representatives are against any reduction in the existing rate of interest.

(d) & (e): The recommendation of the Board on this issue has not yet been received by the Government.