

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

UNSTARRED QUESTION NO:2169
ANSWERED ON:20.07.2009
INVESTMENT OF EPF FUNDS
Panda Shri Prabodh

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

- (a) whether the Government has decided to allow Employees' Provident Fund (EPF) to be invested in financial market;
- (b) if so, the details thereof;
- (c) whether the Government proposes 26 per cent Foreign Direct Investment in management of pension funds; and
- (d) if so, the details thereof?

Answer

MINISTER OF STATE FOR LABOUR AND EMPLOYMENT (SHRI HARISH RAWAT)

(a) & (b): Employees' Provident Funds are invested under the pattern prescribed by the Government on the recommendations of Central Board of Trustees, Employees' Provident Fund. Funds are invested in Central/State Government securities, as guaranteed by the Government, bonds of Public Sector Undertakings, private sector bonds, State development loans which have an investment grade rating. So far, Central Board of Trustees, Employees' Provident Fund have not recommended for investment in equity market.

(c) & (d): There is no proposal under consideration for foreign direct investment in managing the pension fund under Employees' Provident Funds & Miscellaneous Provisions Act, 1952.