GOVERNMENT OF INDIA FINANCE LOK SABHA

UNSTARRED QUESTION NO:1835 ANSWERED ON:19.11.2010 INVESTMENT OF PF IN STOCK MARKET Kumar Shri P.

Will the Minister of FINANCE be pleased to state:

(a) the amount of money accumulated in provident fund (PF) of Central Government employees;

(b) whether the Government proposes to invest a part of the corpus in the stock market;

(c) if so, the details thereof;

(d) whether the Government has analyzed the factors regarding the safety of workers capital funds and reasonable return on the capital; and

(e) if so, the details thereof?

Answer

Minister of State in Ministry of Finance(SHRI NAMO NARAIN MEENA)

(a): As per Union Government Finance Accounts, the details are as under:-

(In Crores of Rupees) Details As on 31.3.2009

Major Head 8009-State Provident Fund

01-Civil 4,57,33

02-Defence 2,15,78

03-Railways 1,60,52

Total 8,33,63

(b): No, Sir.

(c) Does not arise in view of (b) above.

(d)&(e) The accumulations in the General Provident Fund (GPF) is kept in the Public Account of India. Hence, there is no compromise on the safety of the GPF accumulations. As regards return of GPF accumulations of the Central Government employees, the interest rate (8% per annum) was fixed to average secondary market yields on Government Securities of similar maturity.