

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:879

ANSWERED ON:12.11.2010

RATE OF INTEREST ON PROVIDENT FUNDS

Owaisi Shri Asaduddin;Rajukhedi Shri Gajendra Singh

Will the Minister of FINANCE be pleased to state:

- (a) the rates of interests applicable on General Provident Fund (GPF), Public Provident Fund (PPF) and Employees Provident Fund (EPF);
- (b) whether the rates applicable to such funds especially GPF and PPF are proposed to be raised; and
- (c) if so, the details thereof and if not, the reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE(SHRI NAMO NARAIN MEENA)

- (a) The rate of interest applicable on General Provident Fund (GPF) and Public Provident Fund (PPF) is 8 (eight) percent per annum and 8.5 per cent for Employees Provident Fund (EPF).
- (b) No, Madam.
- (c) The interest rate on GPF and PPF were fixed as per Dr. Reddy Committee's Recommendations. Accordingly, these rates were benchmarked to average secondary market yields on government Securities of similar maturity.