

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

STARRED QUESTION NO:255
ANSWERED ON:14.03.2011
INTEREST RATE ON PFS .
Bali Ram Dr. ;Begum Tabassum

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

- (a) the rate of interest fixed/proposed in respect of Employees Provident Fund (EPF)/Contributory Fund for the years 2009-10 and 2010-11;
- (b) whether the Government is contemplating to increase the rate of interest on these Funds;
- (c) if so, the details thereof and if not, the reasons therefor; and
- (d) the steps taken by the Government to safeguard the interests of subscribers of the aforesaid Funds?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF LABOUR AND EMPLOYMENT (SHRI MALLIKARJUN KHARGE)

(a) to (d) A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PART (a) TO (d) OF THE LOK SABHA STARRED QUESTION NO. 255 FOR 14.03.2011 BY SHRIMATI TABASSUM HASAN AND DR. BALIRAM REGARDING "INTEREST RATE ON PFs".

- (a): The rate of interest in respect of Employees' Provident Fund (EPF) had been declared @8.5% per annum for the year 2009-10 and has been recommended by the Central Board of Trustees, Employees' Provident Fund @ 9.5% per annum for the year 2010-11.
- (b) & (c): The Central Board of Trustees, Employees' Provident Fund has recommended 9.5% interest rate for financial year 2010-11 as compared to 8.5% interest rate for the financial year 2009-10.
- (d): The investment of the Employees' Provident Fund is made strictly as per the approved investment pattern and security of the investment is given utmost importance while taking investment decisions.