

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

UNSTARRED QUESTION NO:3862

ANSWERED ON:17.12.2012

INVESTMENT OF PROVIDENT FUND

Jagannath Dr. M.;Kumar Shri Kaushalendra;Mahto Shri Baidyanath Prasad;Ramkishun Shri

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

- (a) whether the Employees' Provident Fund Organisation (EPFO) invest money from the PF in infrastructure bonds/equities;
- (b) if so, whether the present guidelines of EPFO allow the money of PF to be invested only in Government securities which could earn only 8.25 per cent return to the subscribers;
- (c) the amount of funds of EPFO invested in Private sectors', blue chip manufacturing companies, etc.;
- (d) whether EPFO had also sought more autonomy in terms of investing the money in order to gain better returns;and
- (e) if so, the details in this regard?

Answer

MINISTER OF STATE FOR LABOUR AND EMPLOYMENT (SHRI KODIKUNNIL SURESH)

- (a): The Employees' Provident Fund Organization (EPFO) invests in bonds of infrastructure companies, if the same fulfills the criteria of investment pattern followed by EPFO. EPFO does not invest in equities.
- (b): EPF money is invested as per the investment pattern of 2003 notified by Government of India which allows investment in Central Government Securities, State Government Securities, Bonds of Public Sector Undertakings and Private Sectors companies.
- (c): As on 31.10.2012, the total of EPFO corpus, invested in private sector companies is Rs. 26,896.54 Crore including Rs. 4.05Crore investments in blue chip manufacturing companies.
- (d) & (e): The Central Board of Trustees (CBT), Employees' Provident Fund (EPF) consider the matter of investment pattern to maximize returns on regular basis and such proposal, if any, is sent to the Government, which gives necessary approval within the limitation prescribed under various categories in the investment pattern of 2003 of Ministry of labour and Employment.