

**GOVERNMENT OF INDIA  
MINISTRY OF LABOUR AND EMPLOYMENT**

**LOK SABHA**

**UNSTARRED QUESTION NO. 1323  
TO BE ANSWERED ON 19.09.2020**

**RATE OF INTEREST OF EPFO**

**1323. SHRI SUDHEER GUPTA:**

**SHRI SANJAY SADASHIVRAO MANDLIK:**

**SHRI BIDYUT BARAN MAHATO:**

**SHRI SHRIRANG APPA BARNE:**

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

- (a) the rate of interest paid to the Employees' Provident Fund subscribers during each of the last three years;**
- (b) whether the Employees' Provident Fund Organization (EPFO) has proposed further reduced interest rate on Employees' Provident Fund for the Financial Year, 2020;**
- (c) if so, the details thereof and the reasons therefor along with the interest rate being provided on Employees' Provident Fund at present;**
- (d) the number of employees likely to suffer loss as a result thereof; and**
- (e) the total number of such employees contributing regularly to this Fund, State/UT-wise?**

**ANSWER**

**MINISTER OF STATE (IC) FOR LABOUR AND EMPLOYMENT  
(SHRI SANTOSH KUMAR GANGWAR)**

**(a): The details of rate of interest paid to the Employees' Provident Fund (EPF) subscribers during the last three financial years are as under:**

**Contd..2/-**

<b>Year</b>	<b>Rate of Interest per annum ( in per cent.)</b>
<b>2016-17</b>	<b>8.65</b>
<b>2017-18</b>	<b>8.55</b>
<b>2018-19</b>	<b>8.65</b>

**(b) & (c): The rate of interest to be credited to EPF members' accounts is based on Incomes and Liabilities for the particular financial year as per Paragraph 60(4) of the EPF Scheme 1952. In view of exceptional circumstances arising out of COVID-19, the agenda regarding Interest Rate was reviewed by the Central Board, EPF in its 227th Meeting held on 9<sup>th</sup> September, 2020 and it recommended the earlier rate of interest @ 8.50% for the financial year 2019-20 to the Central Government. The recommendation of the Central Board of Trustees requires approval of the Government.**

**(d) & (e): The declaration of EPF Rate of Interest is a dynamic exercise depending upon the earnings of the particular year. There is no fixed/ standard rate of interest from which the declared EPF interest rate can be compared to arrive at gain/loss to employees.**

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