

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

LOK SABHA

**UNSTARRED QUESTION NO. 3079
TO BE ANSWERED ON 15.03.2021**

INVESTMENT IN STOCK MARKET

3079. SHRI VELUSAMY P.:

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

- (a) whether the Employees' Provident Fund Organisation (EPFO), the state run organization has decided to invest 5 per cent of corpus fund in stock markets after its formation of 64 years with a motive to give stable return to the pensioners.**
- (b) if so, the incremental deposit in EPFO for the last three years and the current year;**
- (c) the exact amount earmarked for investment in stock market and the method of deployment of funds in the market;**
- (d) whether the Government has taken adequate precautions to secure the interests of the pensioners due to volatile stock market where there is no guarantee of return of investment; and**
- (e) whether EPFO has received any representation from the All India Trade Unions against this policy and if so, the details thereof?**

ANSWER

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

(a): Employees' Provident Fund Organisation (EPFO) invests its corpus as per the Pattern of Investment notified by the Central Government and the internal guidelines of EPFO approved by the Central Board of Trustees' (CBT), Employees' Provident Fund (EPF).

(b): The incremental deposit/fresh accretion for Equity Investment for the last three years and the current year is as follows:

Contd..2/-

Financial Year	Total Amount (In Rs. crore)
2017-18	19796.24
2018-19	27743.19
2019-20	32377.26
2020 to (28.02.2021)	27532.39

(c): At present, EPFO invests 15 per cent of the incremental deposits/fresh accretion in Exchange Traded Funds indexed with indices of NIFTY-50, SENSEX, CPSE and BHARAT-22.

(d): As a precaution to mitigate the volatility related to equity market, the CBT in its 207th meeting held on 31.03.2015 decided to invest only in Exchange Traded Funds (ETF) in this category.

(e): A joint representation dated 26.2.2021 from a few trade unions on the issues to be considered in the 228th CBT meeting was received in which the issue related to investment policy and investment of funds in stock market were raised.
