

**GOVERNMENT OF INDIA  
MINISTRY OF LABOUR AND EMPLOYMENT  
LOK SABHA  
UNSTARRED QUESTION NO. 5764  
TO BE ANSWERED ON 30.03.2026**

**DEMAND FOR ENHANCEMENT OF EPF INTEREST RATE**

**5764. SHRI VIJAYAKUMAR ALIAS VIJAY VASANTH:**

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

- (a) whether the Government has received formal representations from labour unions seeking enhancement of Employees' Provident Fund (EPF) interest rate up to ten per cent and if so, the number of representations and response thereof;**
- (b) whether the Employees' Provident Fund Organisation (EPFO) has conducted financial and actuarial analysis to assess feasibility of increasing EPF interest rate to ten per cent and if so, the findings thereof;**
- (c) whether enhancement of the EPF interest rate to ten per cent would affect long-term sustainability of the provident fund corpus and if so, the projected financial impact over next decade;**
- (d) whether the Government has compared current EPF returns with inflation rates, bank deposit interest rates and interest rate of other small savings schemes and if so, the comparative analysis thereof; and**
- (e) whether consultations have been held with employer associations and employee representatives regarding proposed increase in EPF interest rate and if so, the details thereof including outcomes and consensus reached therefor?**

**ANSWER**

**MINISTER OF STATE FOR LABOUR AND EMPLOYMENT  
(SUSHRI SHOBHA KARANDLAJE)**

- (a): No representations have been received from labour unions by EPFO specifically seeking enhancement of the EPF interest rate up to ten per cent.**

**Contd..2/-**

**::2::**

**(b) to (e): The EPF interest rate declared by EPFO is based on the actual income earned by the Provident Fund corpus from its investments. As per Paragraph 60(4) of the EPF Scheme, 1952, the Central Government is required to ensure that there is no overdrawing on the Interest Account.**

**Since the EPF interest rate is based on the actual income earned by the Provident Fund corpus, it is not comparable with any other variable.**

**Further, the rate of interest on EPF is recommended by the Central Board of Trustees (CBT), EPF, which is a tripartite body comprising representatives of the Government, Employers, and Employees.**

**\*\*\*\*\***