

Interest rate on EPF deposits

2834. SHRIMATI SHANTA CHHETRI: Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:

- (a) the proposed changes in the interest rate on Employees Provident Fund (EPF) deposits for 2019-20;
- (b) whether the Ministry is aware that the existing rate of 8.65 per cent is already considered low and any further decrease will only demoralize the 6 crore subscribers of retirement fund body;
- (c) whether Government is making any efforts to increase the interest rates; and
- (d) if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF LABOUR AND EMPLOYMENT (SHRI SANTOSH KUMAR GANGWAR): (a) to (d) The rate of interest on Employees' Provident Fund (EPF) is determined by the Central Government in consultation with the Central Board of Trustees (CBT), Employees' Provident Fund (EPF). The CBT, EPF in its 226th meeting held on 05.03.2020 has recommended a rate of 8.50 per cent per annum as Interest rate on EPF deposits for the F.Y. 2019-20 as compared to 8.65 per cent per annum for the F.Y. 2018-19.

The rate of interest on EPF is determined on the basis of estimated earnings for the concerned financial year on the total investment corpus in the EPF. Further, in determining the rate of interest on EPF balances in each year, the Central Government satisfies itself that there is no overdrawal on the Interest Account as a result of the debit thereto of the interest credited to the accounts of members. The rate of interest to be credited to EPF members' accounts is based on all Incomes and Liabilities for the particular financial year as per Para 60(4) of the Employees' Provident Funds (EPF) Scheme 1952.

Decrease in global price natural gas

2835. SHRI R. VAITHILINGAM: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) whether it is a fact that the natural global gas price may have to a ten year low;