

**GOVERNMENT OF INDIA
MINISTRY OF LABOUR AND EMPLOYMENT
RAJYA SABHA
UNSTARRED QUESTION NO. 564
TO BE ANSWERED ON 21.07.2022**

LOWERING OF INTEREST ON EPF DEPOSITS

564. SHRI VAIKO:

SHRI M. SHANMUGAM:

Will the Minister of Labour and Employment be pleased to state:

- (a) whether Government has approved 8.1% as rate of interest on EPF deposits for the year 2021-22;**
- (b) if so, the reason therefor, being the lowest in four decades;**
- (c) whether any protest has been made by the working class, since EPF is often the only mode to save funds for retirement;**
- (d) if so, the details thereof and whether Government will reconsider hiking the rate of interest on employees provident fund deposits; and**
- (e) if not, the reasons therefor?**

ANSWER

**MINISTER OF STATE FOR LABOUR AND EMPLOYMENT
(SHRI RAMESWAR TELI)**

(a) to (e): Yes, Sir. As per the provisions of Paragraph 60(1) of the Employees' Provident Fund (EPF) Scheme, 1952, Employees' Provident Fund Organisation (EPFO) shall credit to the account of each member interest at such rate as may be determined by the Central Government in consultation with the Central Board of Trustees (CBT), Employees' Provident Fund (EPF). The rate of interest on EPF is dependent on the income received by the EPF from its investments and such incomes are distributed only in accordance with the EPF Scheme, 1952. The CBT, EPF had recommended 8.10 per cent rate of interest on EPF for the financial year 2021-22, which has been approved by the Government and is higher than other comparable schemes viz. General Provident Fund (7.10%)/Senior Citizens Savings Scheme (7.40%)/Sukanya Samridhi Account Scheme (7.60%).

There is no proposal to reconsider the approved rate of interest (8.10%) on EPF deposits for the year 2021-2022.
