

**GOVERNMENT OF INDIA
MINISTRY OF LABOUR AND EMPLOYMENT
LOK SABHA
UNSTARRED QUESTION NO. 2332
TO BE ANSWERED ON 01.08.2022**

INTEREST ON EPF DEPOSITS

**2332. SHRI A. GANESHAMURTHI:
SHRIMATI SARMISTHA SETHI:
PROF. SOUGATA RAY:
DR. VISHNU PRASAD M.K.:**

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

- (a) whether the Government proposes to reconsider hiking the rate of interest on Employees' Provident Fund (EPF) deposits and if so, the details thereof;**
- (b) the minimum monthly pension for a retired employee since when the EPF pension scheme started and the reasons for not increasing the minimum monthly pension despite increase in cost of living and higher inflation;**
- (c) whether the Government has any proposal to open new Central Pension Disbursal System for EPFO and if so, the details thereof along with the number of pensioners enrolled in EPFO, State-wise;**
- (d) whether there is any proposal to allow the pensioners to withdraw their deposits before six months and if so, the details thereof; and**
- (e) whether the Government has received demands from stakeholders like trade unions and public representatives for increasing the minimum pension under EPF pension scheme, if so, the time by when the pension would be increased to Rs.9000?**

ANSWER

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

(a): 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

Contd..2/-

and is higher than other comparable schemes viz. General Provident Fund (7.10%)/Senior Citizens Savings Scheme (7.40%)/Sukanya Samriddhi 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.

(b): The Employees' Pension Scheme (EPS), 1995 is a 'Defined Contribution-Defined Benefit' Social Security Scheme. The corpus of the Employees' Pension Fund is made up of (i) contribution by the employer @ 8.33 per cent of wages; and (ii) contribution from Central Government through budgetary support @ 1.16 per cent of wages, up to an amount of Rs.15,000/- per month. All benefits under the scheme are paid out of such accumulations. The fund is valued annually as mandated under paragraph 32 of the EPS, 1995 and as per the valuation of the fund as on 31.03.2019, there is an actuarial deficit. However, the Government had, for the first time, provided a minimum pension of Rs. 1000/- per month to the pensioners under EPS, 1995 from 01.09.2014 by providing additional budgetary support. In addition Government provides budgetary support of 1.16% of wages of the member to Employees' Provident Fund Organisation (EPFO).

(c): No, Sir. The State/UT-wise details of number of pensioners enrolled in Employees' Provident Fund Organisation is at Annexure.

(d): No, Sir.

(e): Yes, Sir. Representations have been received from individuals as well as pensioners' associations for enhancement of minimum pension under EPS, 1995. There is no proposal to enhance the minimum pension under the EPS, 1995.

ANNEXURE REFERRED TO IN REPLY TO PART (c) TO LOK SABHA UNSTARRED QUESTION NO. 2332 DUE FOR REPLY ON 01.08.2022 RAISED BY HON'BLE MPS SHRI A. GANESHAMURTHI, SHRIMATI SARMISTHA SETHI, PROF. SOUGATA RAY AND DR. VISHNU PRASAD M.K. REGARDING 'INTEREST ON EPF DEPOSITS'.

Sl. No.	STATE/UT	PENSIONERS ENROLLED IN EMPLOYEES' PROVIDENT FUND ORGANISATION
1	ANDAMAN AND NICOBAR ISLANDS	3306
2	ANDHRA PRADESH	502128
3	ARUNACHAL PRADESH	631
4	ASSAM	54590
5	BIHAR	211130
6	CHANDIGARH	25837
7	CHHATTISGARH	102128
8	DADRA AND NAGAR HAVELI & DAMAN AND DIU	2253
9	DELHI	162628
10	GOA	28278
11	GUJARAT	447843
12	HARYANA	162928
13	HIMACHAL PRADESH	40438
14	JAMMU AND KASHMIR	228
15	JHARKHAND	159738
16	KARNATAKA	599965
17	KERALA	445094
18	LAKSHADWEEP	55
19	MADHYA PRADESH	236961
20	MAHARASHTRA	1218855
21	MANIPUR	2384
22	MEGHALAYA	4243
23	MIZORAM	348
24	NAGALAND	1539
25	ODISHA	189783
26	PUDUCHERRY	6229
27	PUNJAB	142338
28	RAJASTHAN	184978
29	SIKKIM	766
30	TAMIL NADU	839614
31	TELANGANA	210211
32	TRIPURA	9467
33	UTTAR PRADESH	561106
34	UTTARAKHAND	67623
35	WEST BENGAL	648255
	TOTAL	7273898
