

**GOVERNMENT OF INDIA
LABOUR AND EMPLOYMENT
LOK SABHA**

UNSTARRED QUESTION NO:3657
ANSWERED ON:18.04.2005
EMPLOYEES PROVIDENT FUND ACT, 1952
Mohite Shri Subodh

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

- (a) whether the Employees Provident Fund Act, 1952 does not permit the organisation to accept funds from any sources for paying interest;
- (b) if so, the details thereof; and
- (c) the sources from which EPFO will raise funds to pay enhance rate of interest to the subscribers?

Answer

MINISTER OF LABOUR AND EMPLOYMENT (SHRI K. CHANDRASEKHAR RAO)

- (a) & (b): Interest is paid out of income on Provident Fund investments only. Employees' Provident Funds & Miscellaneous Provisions Act, 1952 is silent on the issue of accepting the funds from any other source for paying interest.
- (c): The Government has not notified the rate of interest for the subscribers of Employees Provident Fund for 2004-05. Therefore, the issue of raising funds to pay enhanced rate of interest does not arise at this stage.