

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

UNSTARRED QUESTION NO:111
ANSWERED ON:20.02.2006
RATE OF INTEREST ON SPECIAL DEPOSIT SCHEME
Mollah Shri Hannan

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

- (a) whether the Government is considering to increase the rate of interest on the Special Deposit Scheme (SDS) that was created in the seventies to provide a better rate of interest on PF to workers;
- (b) if so, the details thereof;
- (c) whether under the scheme the Government has secured over one lakh crore rupees from EPF deposits;
- (d) if so, whether the Government is considering for marginal increase in the rate of interest on SDS which can ensure 9.5 per cent interest in EPF; and
- (e) if not, the reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF LABOUR & EMPLOYMENT (SHRI CHANDRA SEKHAR SAHU)

(a) & (b): No, Sir.

(c): The total outstanding balance under SDS, 1975 is estimated at Rs.1,19,748.13 crore as per Revised Estimates 2004-05. Since the corpus of the scheme is frozen, no accretions are estimated during 2005-06.

(d) & (e): There is no proposal under consideration to increase the rate of interest on SDS, 1975, which has been fixed after due consideration.