

The Central Board Trustees (CBT) EPF recommends 8.15 % rate of interest to EPF subscribers for FY2022-23

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The 233rd meeting of Central Board of Trustees, EPF was held today in Delhi under the Chairmanship of Shri Bhupendra Yadav, Union Minister for Labour & Employment and Environment, Forest & Climate Change. The Vice-Chairmanship of Shri Rameshwar Teli, Union Minister of State for Labour & Employment, Petroleum & Natural Gas and Co-Vice-Chairpersonship of Ms. Arti Ahuja, Secretary Labour & Employment and the Member Secretary Smt. Neelam Shami Rao, Central P F Commissioner were also present during the meeting.

The Central Board recommended 8.15 % annual rate of interest to be credited on EPF accumulations in members' accounts for the financial year 2022-23. The interest rate would be officially notified in the government gazette after approval of Ministry of Finance, following which EPFO would credit the rate of interest into its subscribers' accounts.

The CBT recommended the amount balancing both the growth & surplus fund to have safeguards. The recommended rate of interest of 8.15% safeguards the surplus as well as guarantees increase income to members. In fact, the rate of interest at 8.15 % and the surplus of 663.91 Crores is higher than the last year.

The Board's recommendation involves distribution of more than Rs. 90,000 crores in the members' account on the total principal amount of about Rs 11 lakh crores which was Rs 77,424.84 crores and Rs 9.56 lakh crores respectively in the FY 2021-22. The total income recommended for being distributed is highest till date. The growth in income and the principal amount is respectively more than 16% and 15% as compared to last financial year 2021-22.

EPFO over the years has been able to distribute higher income to its members, through various economic cycles with minimal credit risk. Considering the credit profile of the EPFO investment, the interest rate of EPFO is higher than other comparable investments avenues available for subscribers. EPFO has consistently followed a prudent and balanced approach towards investment, putting highest emphasis on the safety and preservation of principal with an approach of caution and growth.

EPFO being one of the largest social security organization has stayed true to its objective by maintaining and providing its subscribers with the high assured interest rate even during the periods of volatility in equity and capital markets. A blend of conservative yet progressive approach of investment followed by EPFO has made it a wise option for PF members.

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