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PRESS INFORMATION BUREAU GOVERNMENT OF INDIA

LINKING OF GPF INTEREST RATES WITH EPFO

New Delhi; <u>Vaisakha 14, 1934</u> May 4, 2012

The rates of interest on General Provident Fund (GPF) is 8% for the period from 1.4.2011 to 30.11.2011 and 8.6% from 1.12.2011 to 31.3.2012, whereas the rate of interest on EPF for the financial year 2011-12 is 8.25%. Rate of interest on EPF is fixed on the recommendation of the Central Board of Trustees (CBT) by the Employees Provident Fund Organisation (EPFO), Ministry of Labour and Employment based on the income earned on the accumulated fund during the financial year. rate of interest on GPF is generally fixed after taking into consideration the market average secondary vields on government securities of similar maturity.

This information was given by the Minister of State for Finance, Shri Namo Narain Meena in written reply to a question in the Lok Sabha today.

SS/SL