

# TAX FLASH NEWS

15 November 2021

## Government of India declares 8.5 per cent interest rate on Employees' Provident Funds Scheme for Financial Year 2020-21

The Government of India has declared the rate of interest of 8.5 per cent for crediting interest on Provident Fund (PF) accumulation for members of the Employees' Provident Funds Scheme for the Financial Year (FY) 2020-21. The Employees' Provident Fund Organisation (EPFO) issued a circular<sup>1</sup> dated 30 October 2021 in this regard.

### Our comments

Employees having a PF account with EPFO will earn an interest rate of 8.5 per cent on their provident fund accumulations for FY2020-21.

The establishments that run in-house PF Trusts under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952 are also required to match the rate of interest declared by the government for FY2020-21 on PF accumulations of their members.



<sup>1</sup> EPFO Circular No: NV-11/1/2020-INV – dated 30 October 2021  
Accessed on 15 November 2021

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