

VISHWAS 2026 SCHEME (EPFO)

*Prelims: Current events of national and international importance | Economy
| Government Policies and Interventions*

Why in News?

The Ministry of Labour & Employment officially launched the Vishwas 2026 Scheme.

- **VISHWAS 2026** - Voluntary Initiative for Speedy Hearing and Waiver of Adverse Surcharges.
- It is a landmark, one-time dispute resolution scheme introduced by the **Employees' Provident Fund Organisation (EPFO)**.
- **Aim** - To promote voluntary compliance, curb prolonged litigation, and ensure fast-track digital settlement of long-pending employer disputes regarding penalties and damages.
- **Resolution Period** - The dispute resolution window is strictly operational for an initial period of **6 months**. (Ending December 2026).
- It applies strictly to disputes concerning damages/penalties levied under the **Employees' Provident Funds and Miscellaneous Provisions Act, 1952 or the Code on Social Security, 2020**.
- **Eligible Dispute Stages**
 - Cases currently under challenge or pending before any judicial forum, court, or EPF Appellate Tribunal.
 - Final damages orders where recovery is pending or only partially completed (including Revenue Recovery Certificate cases).
 - Cases where an assessment show-cause notice has been issued but a final order hasn't been passed.
 - Instances where a contribution remittance was delayed by the employer, but no formal show-cause notice has been initiated yet.
- **Cut-off Timeline**- Concessional rates apply exclusively to defaults or contribution delays that occurred **on or before June 14, 2024**.
- **The Concessional Penalty Structure**
- Under regular EPF rules, delayed contributions draw heavy statutory

damages.

- **Defaults up to 2 months** - Recalculated at just **0.25%** per month.
- **Defaults from 2 months to less than 4 months** - Recalculated at **0.50%** per month.
- **Defaults exceeding 4 months** - Recalculated at **1.00%** per month.
- **Legal Prerequisite-** To finalize the settlement, employers must submit a declaration giving formal consent to unconditionally withdraw any pending appeals or litigation filed before tribunals or courts regarding those specific damages.

Reference

[News On Air | VISHWAS Scheme](#)

