

**GOVERNMENT OF INDIA
MINISTRY OF LABOUR AND EMPLOYMENT
RAJYA SABHA
UNSTARRED QUESTION NO. 4422
TO BE ANSWERED ON 02.04.2026**

NEW EPF SCHEME

4422. SHRI SADANAND MHALU SHET TANAVADE:

SHRI RYAGA KRISHNAIAH:

SHRI RAJIB BHATTACHARJEE:

SHRI MADAN RATHORE:

SMT. SADHNA SINGH:

SHRI CHUNNILAL GARASIYA:

Will the Minister of Labour and Employment be pleased to state:

- (a) how the new Employees' Provident Fund (EPF) Scheme 2026 provides a legally robust foundation for transition to the Social Security Code;**
- (b) the details of administrative simplifications introduced in the single SOP for EPF Exemption approved in March 2026;**
- (c) whether 8.25 per cent interest rate for Financial Year 2025-26 has been recommended for all subscribers;**
- (d) if so, the details thereof; and**
- (e) how the Amnesty Scheme for exempted trusts successfully resolved pending litigation to protect worker interests?**

ANSWER

**MINISTER OF STATE FOR LABOUR AND EMPLOYMENT
(SUSHRI SHOBHA KARANDLAJE)**

(a): The definitions and provisions of the Employees' Provident Fund (EPF) Scheme, 2026 have been aligned with the Code on Social Security, 2020 (CoSS), which has subsumed the earlier EPF & MP Act, 1952. Redundant and obsolete provisions have been deleted to ensure legal clarity and consistency.

(b): The Central Board of Trustees of the Employees' Provident Fund Organization (EPFO) in its 239th meeting held on 02, March 2026 has approved the new simplified Standard Operating Procedure (SOP) on EPF exemption, consolidating the existing four SOPs and the Exemption Manual into a single comprehensive framework.

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The new SOP, inter alia, provides for the following changes that promotes the rights of members which has been given central focus in the document and seeks to promote "Ease of Living" for the members.

- Prompt credit of past accumulations on surrender or cancellation of exemption.**
- Integration of public grievance of exempted establishment with EPFO system for better monitoring of grievance resolution.**
- Limiting of interest rates over interest rates notified for EPF to a maximum of 2%, to avoid diversion of trust funds.**
- Mandatory transfer of PF balances in inoperative accounts or non-KYC accounts of members, who have left the exempt establishment long back, to EPFO to avoid any misuse.**

The new SOP, inter alia, also provides for the following changes that promotes "Ease of Doing Business"

- Online surrender of exemption thereby bringing efficiency in the system.**
- Notices for improvement to be issued to the employers to rectify violations of the provisions of the statute.**
- Annual physical audit shall be replaced by risk-based online audit of exempted establishments.**

(c) & (d): Yes, The Central Board of Trustees (CBT), Employees Provident Fund, in its 239th meeting held on 02.03.2026 recommended 8.25% as the rate of interest on Employees' Provident Fund (EPF) for all the eligible subscribers for the Financial Year 2025-26.

(e): The Board approved a one-time Amnesty Scheme to address compliance issues arising from income tax-recognized trusts that are yet to be covered or granted exemption under the EPF & MP Act, 1952. The proposed scheme seeks to bring establishments and trusts into compliance fold within a six-month period. It allows retrospective relaxation or exemption subject to specified conditions and ensures that all eligible employees receive statutory benefits. The measure is expected to resolve over 100 active litigation cases thereby benefiting thousands of trust members.
