GOVERNMENT OF INDIA
MINISTRY OF LABOUR AND EMPLOYMENT
RAJYA SABHA
UNSTARRED QUESTION NO. 2976
TO BE ANSWERED ON 13.08.2026

RATIONALISATION OF PROVIDENT FUND COMPLIANCE

2976. SHRI JAGGESH:

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

(a)whether Government has introduced any special measure to facilitate voluntary settlement of pending disputes relating to damages and penalties under the Employees' Provident Fund framework;
(b)whether Government has prescribed any eligibility criteria, application period and categories of disputes that may be settled under such measure;
(c)whether Government has assessed the likely impact on reducing litigation and easing the compliance burden on employers;
(d)whether Government proposes to review the outcomes and consider similar dispute resolution initiatives in future for improving ease of doing business and reducing pendency under labour laws; and
(e)if so, the details thereof?

ANSWER

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

(a): Yes. The Central Government has notified VISHWAS, 2026 as part of the Employees' Provident Funds Scheme, 2026 with effect from 29.06.2026 to facilitate amicable settlement of disputes relating to damages levied under Section 14B of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and Section 128 of the Code on Social Security, 2020.

(b) to (e): Vishwas, 2026 is operational for a period of six months from the date of its notification. It covers eligible establishments falling under the following broad categories:

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(i) cases where penalties have been imposed and challenged and are pending before judicial forums;

(ii) cases where damages have been levied but remain unpaid, wholly or partly;

(iii) cases where proceedings for levy of damages are pending or underway; and

(iv) cases where proceedings are yet to be initiated in respect of eligible defaults.

Vishwas, 2026 is subject to the eligibility conditions prescribed therein, including payment of the applicable statutory interest corresponding to the default period and fulfilment of the other conditions specified under the Scheme.

VISHWAS, 2026 has been introduced with the objective of facilitating amicable settlement of disputes, reducing litigation, promoting voluntary compliance and easing the compliance burden on employers.

Government is committed to promoting ease of doing business through simplification of compliance procedures, promotion of voluntary compliance and reduction of litigation and pendency under labour laws through initiatives like VISHWAS 2026. Various measures undertaken in this regard are reviewed from time to time.

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