KPMG

Tax Flash News

13 July 2026

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Employees' Provident Fund Organisation releases operational aspects of Employees' Enrolment Campaign, VISHWAS and AMNESTY provisions

Executive summary

On 29 June 2026, the Ministry of Labour and Employment notified three social security schemes under Code on Social Security, 2020 ('CoSS') viz, the Employees' Provident Funds Scheme, 2026, Employees' Pension Scheme, 2026 and the Employees' Deposit-Linked Insurance Scheme, 2026 collectively referred to as 'schemes'.

Alongside these schemes, the Employees' Enrolment Campaign, 2026 ('EEC'), VISHWAS, 2026 ('Vishwas') and AMNESTY, 2026 ('Amnesty') were also notified as special provisions.

The Employees' Provident Fund Organisation ('EPFO') has recently released administrative circular and operational guidelines in relation to EEC,[1] Vishwas,[2] and Amnesty.[3]

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[1] Circular no. EEC/2025/E-1190921/4278204 dated 8 July 2026

[2] Compliance/E-1203096/2025/2823

[3] Exemption/AMNESTY-2026/[E.III/10(58)/2025]

Key highlights – EEC

I. Objective

Provides a special window for employers to voluntarily enrol eligible employees who were left out of EPF coverage during the period 1 April 2009 to 31 March 2026 and regularize past compliance.

II. Validity

Scheme is open from 1 July 2026 to 31 October 2026.

III. Eligible establishments

- All establishments, irrespective of their existing coverage status.
- Establishments can participate irrespective of the fact that they are facing EPF inquiries.
- Previously uncovered establishments may first obtain EPF coverage and then declare eligible employees.

IV. Benefits

Employee share is waived for the declared period if it was not deducted from employees.

Employers need to pay only:

- Employer's EPF contribution.
- Applicable interest.
- Administrative charges.
- Nominal damages of INR100 per establishment.

V. Compliance requirements

- Face Authentication-based UAN generation through UMANG for each declared employee is mandatory.
- Contributions must be remitted through ECR (‘Electronic Challan-cum-Return’).
- Declarations can be filed only through the EPFO portal.

VI. Other important aspects

- Employers are allowed to make multiple declarations.
- Only employees who are alive and still employed with the establishment as on date of declaration are eligible.
- Participating employers may also become eligible for benefits under Pradhan Mantri Viksit Bharat Rozgar Yojana (‘PM-VBRY’), subject to applicable conditions.

Key highlights – Vishwas

I. Objective

Facilitates amicable settlement of disputes relating to EPF damages levied under the erstwhile Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (‘the EPF Act’) or under the CoSS.

II. Validity

Effective from 29 June 2026 and remains open for six months.

III. Eligible establishments

The following establishments are eligible:

- Establishments with ongoing litigation.
- Establishments where order is finalized, but recovery of damages is pending or partially paid.
- Pre-adjudication cases where notice has been issued but order is yet to be passed.
- Cases where notice is yet to be issued.

IV. Excluded categories

The scheme does not cover the following category of cases:

- Establishment where damages have already been fully recovered.
- Cases involving fraud, misappropriation, or falsification of records.
- Cases where interest under dispute remain unpaid.

V. Rate of damages

Damages for defaults prior to 14 June 2024 are capped as per the below table.

Period of Default	Rate of damages
Default up to 2 months	0.25 per cent per month
Default between 2 months to 4 months	0.50 per cent per month
Default beyond 4 months	1.00 per cent per month

VI. Mandatory conditions

- Employers are required to pay entire interest as determined under the EPF Act or CoSS.
- Employer should undertake not to pursue further appeals after settlement under Vishwas.

VII. Treatment of existing payments

- If previous payments exceed revised damages, no refund is available.
- If previous payments are less than revised damages, the balance must be paid.
- Pre-deposits made for appeals can be adjusted against settlement dues.

VIII. Process overview

- Employer to make an online application;
- EPFO verifies and provides approval;
- Employer is required to access online account to verify such approval;
- Employer can agree, disagree or send it back to EPFO for re-evaluation.
- Once challan is generated, it cannot be cancelled.
- Upon successful payment, EPFO provides a digitally signed certificate to the employer.

Key highlights – Amnesty

I. Objective

Provides an opportunity for certain Provident Fund ('PF') trusts to obtain retrospective regularisation of their exemption status where they were recognized under the Income-tax Act, 1961 but did not have a formal exemption under the EPF framework.

II. Validity

Effective from 29 June 2026 and remains open up to 28 December 2026. The duration may be further extended by 6 months on recommendation of Central Board of Trustees (‘CBT’) of the EPFO.

III. Eligible Categories

Category I – Establishments transitioning from un-exempted status

- Establishments seeking retrospective regularisation of exemption for their PF Trusts that have either:
  – already been complying as un-exempted establishments, or
  – opts for prospective compliance as un-exempted establishments.
- This category covers trusts maintained for both excluded employees and non-excluded employees.

Category II – Existing/ continuing exempted establishments

Establishments seeking retrospective regularisation of exemption for their PF Trusts while opting to continue as exempted establishments under the CoSS.

IV. Dispensations

- Retrospective exemption and trust recognition from inception up to the cut-off date, even where formal EPF exemption approval was not obtained.
- Deemed satisfaction of the minimum compliance period requirement based on the period during which the trust has been in operation.
- Waiver of prescribed minimum employee-strength and/or corpus requirements otherwise applicable for obtaining exemption.
- Permission to transfer PF accumulations to the Pension Scheme for eligible employees who should have been enrolled in EPS but were not covered due to the absence of formal exemption.

- Withdrawal and abatement of proceedings for assessment of dues, damages and interest initiated solely because the establishment lacked formal exemption approval, provided member contributions and interest credits are at least at statutory levels.

- Orders relating to assessment of dues, damages and interest which has already been completed and issued shall be treated as void-ab-initio. Any amount already recovered shall be adjusted against future dues.

- Assessment of dues, damages and interest, shall continue to apply in respect of left-out employees and in respect of delayed transfer of funds.

- Establishments will continue to be liable for surcharge for any violations or deviation of prescribed investment norms applicable to exempted trusts.

V. Process overview

- Establishments to submit an application seeking retrospective regularisation of their exemption status.

- Establishment is required to undergo prescribed compliance and special audits to evaluate trust operations, member records, contributions, interest credits, investments and overall compliance. Such audit should be completed within 3 months from date of application.

- Establishment must reconcile member accounts, identify and rectify deficiencies in contributions or interest credits, update KYC records, and undertake any corrective measures identified during the audit process.

- Audited financial statements, trust records, investment details, member data, declarations, undertakings and other prescribed documents must be submitted to EPFO for verification.

- EPFO to examine the application, audit findings, compliance position and supporting records to determine whether the establishment satisfies the conditions for regularisation.

- Where applicable, a public notice process may be undertaken to invite objections before the exemption status is regularised.
- Upon satisfactory completion of verification and compliance requirements, the case to be forwarded to CBT for approval.
- Following approval, the establishment receives retrospective regularisation of its exemption status.

Our comments

EEC provides employers with a time-bound opportunity to regularise historical EPF non-compliance by voluntarily enrolling eligible employees who were previously left out of EPF coverage. Employers will benefit from PM-VBRY incentives, waiver of employee contributions with nominal damages subject to specified conditions.

Vishwas introduces a dispute resolution framework for employers seeking to settle legacy EPF damages matters, including pending litigation and adjudication proceedings, through concessional damages rates subject to fulfilment of prescribed conditions, including payment of applicable interest.

Amnesty provides eligible establishments with an opportunity to regularise historical exemption-related non-compliances and obtain retrospective recognition of exemption status.

Employers should consider reviewing historical EPF compliance gaps, pending damages proceedings, and exempt PF trust compliance records to assess eligibility and avail the benefits of reduced liabilities, dispute resolution, and exemption regularisation available under the EEC, Vishwas and Amnesty.

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