

**GOVERNMENT OF INDIA
LABOUR AND EMPLOYMENT
LOK SABHA**

UNSTARRED QUESTION NO:3133
ANSWERED ON:27.07.2009
RE INVENTING EPF INDIA SCHEME
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Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:

- (a) the number of employees and the accounts under Employees Provident Fund since 31st March, 2005 alongwith the volume of funds with EPF during each year since the aforesaid period, State-wise;
- (b) whether the Employees Provident Fund Organisation (EPFO) had embarked upon a massive project to inter-link all Employees Provident Fund (EPF) Offices digitisation of records under the scheme 'Re-inventing EPF India' to provide on-line access to all the subscribers of EPF;
- (c) if so, the status of the project alongwith the funds allocated and spent on the project since its inception, year-wise;
- (d) whether the deadline fixed for completion of the project could not be met; and
- (e) if so, the details thereof and the reasons therefor indicating the deadline fixed and the cost over-run due to delay in implementing the project?

Answer

MINISTER OF STATE FOR LABOUR AND EMPLOYMENT (SHRI HARISH RAWAT)

(a): Details of Employees' Provident Fund members and funds with Employees' Provident Fund Organisation are given as per statements at Annexure 'A' and 'B' respectively.

(b) to (e): The Employees' Provident Fund Organisation launched a project called 'Re- Inventing EPF India' in 2001 in order to provide service to its stakeholders by revamping the accounting procedure, business process, etc., which would enable the time taken to settle claims to be brought down substantially, improved compliance and to provide service on 'any- time any-where' basis. M/s Siemens Information Systems Limited (SISL), the consultants appointed for this work delivered their report on 'Business Process Re-engineering', 'System Design Document', 'Software Requirement Specifications', etc. The application software was also delivered. On exhaustive user testing and field-testing, several shortcomings were found in the application software. To set right the deficiencies, the consultants asked for changes in contract and sought delay liability of Rs. 51.50 crore. The Central Board of Trustees, Employees' Provident Funds considered the matter. Going by the findings of a sub-committee on the Project, the Central Board approved the cancellation of the contract with SISL in its meeting held on 24th January, 2008 with consequential legal actions. It also approved a revised implementation plan in collaboration with National Informatics Centre (NIC) on 17-4-2008. The reasons for delay are primarily on account of the late submission of deliverables by the consultants. M/s Siemens Information Systems Limited were engaged as consultants for the Project for an amount of Rs. 6,67,47,000/-. Apart from this, no other cost estimates were finalised. However, the total expenditure incurred on the project 'Re-inventing EPF India' and the new project with NIC upto 31.03.2009 is about Rs. 57.50 crores. The expenditure on the project has been met from normal revenue expenditure budget heads and there has not been any specific allocation. As such there has not been any cost overrun.